FINANCIAL TIMES

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No. 29,580 — Thursday March 21 1985 — D 8523 B

Iran: revolution that knows no borders, Page 16

World news

Brock is nominated as Labour Secretary

President Ronald Reagan nominated U.S. Trade Representative Bill Brock to succeed the long-embattled Raymond Donovan as Secretary of Labour. The White House gave no indication about Mr Brock's successor.

Mr Donovan resigned last week after a New York judga ruled that he would have to stand trial on charges of fraud and grand larceny. Plagued by charges of involvement with organised crime, Donovan has been a largely ineffective Secretary of Labour.

Brock, energetic, blunt and no right-wing hardliner, is likely to get along as well with labour leaders as anyone in the Reagan Administration.

Neves operation

President Tancredo Neves, Brazil's new civilian President, underwent a second emergency operation for the intestinal complaint which prevented him from taking the oath of office last week.

MX setback

President Ronald Reagan's campaign to build 21 more MX nuclear missiles suffered a setback when the House of Representatives appropriations committee voted narrowly against a $1.5bn funding resolution. The setback followed a Senate vote approving production of the weapons which the Soviet Union attacked fiercely. Earlier story, Page 2

Iran cities attacked

Iraq kept up its air attacks on Iranian cities after its success in beating back an offensive north of Basra. Its air force struck at three towns and also attacked an Iranian supply vessel near the Kharg Island oil terminal. Page 4

Kohl leadership

Chancellor Helmut Kohl was overwhelmingly re-elected chairman of West Germany's Christian Democratic Union, the largest party in the three party coalition government.

Sidon fighting

Heavy fighting resumed between the Lebanese army and Christian militiamen on the outskirts of the southern port of Sidon after efforts to end three days of clashes failed.

Riots probe

Indian Prime Minister Rajiv Gandhi ordered a senior minister to the riot-hit city of Ahmedabad to investigate caste violence which has led to eight deaths.

Steel plea rejected

West German Economics Minister Martin Bangemann firmly rejected a trade union call for a state holding company to take charge of West Germany's mainly private steel industry.

Opec audit

Opec's new auditors will produce their first results in about a month, Kuwait's Oil Minister said. The auditors had visited all Opec countries except Nigeria, which had submitted production figures. Page 2

Border restricted

South Africa declared its border with Mozambique a restricted air space to stop aid reaching right-wing rebels. The move came after Mozambique accused Pretoria of failing to take action against rebels under the terms of a peace pact signed a year ago.

Racing for Chinese

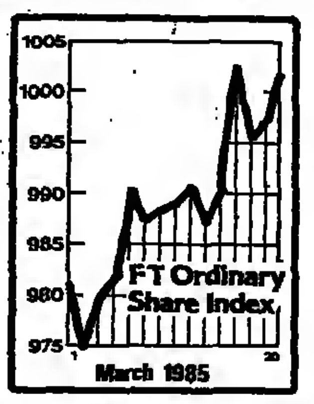
China has started building its first horse racing course, but the track is only for recreation and not gambling.

Business summary

Britoil in U.S. gas and oil deal

BRITOIL, the UK oil company, is to buy a group of U.S. gas and oil producing territories from Freeport McMoran, an oil and minerals company, for $73.5m. The purchase is the final stage in Britoil's $160m manoeuvre designed to give it a solid production base in the U.S. and a spread of exploration acreage.

WALL STREET: at the close the Dow Jones industrial average was down 5.85 at 1,265.24. Section III



LONDON: gilts were in demand and shares firmed in late trading. The FT Ordinary index ended 4.4 higher at 1,001.9. Section III

TOKYO: stocks were substantially higher, with the Nikkei-Dow market average hitting a high of 12,541.37, up 63.38. Section III

DOLLAR was generally weaker in volatile London trading, falling to DM 3.2555 (DM 3.274), FFr 9.98 (FFr 10.015) and SwFr 2.755 (SwFr 2.785) but rising to Y256.1 (Y255.95). On Bank of England figures, the dollar's index fell to 151.3 from 151.7. Page 49

STERLING closed in London 1.5 cents higher than the previous close at $1.1515. It also rose to DM 3.7475 (DM 3.73), FFr 11.5 (FFr 11.38), SwFr 3.1675 (SwFr 3.1575) and Y294.5 (Y291.5). The pound's exchange rate index closed unchanged at 74.0. Page 49

GOLD rose $4.50 on the London bullion market to close at $322.50. It was also higher in Zurich at $323.00. In New York the Comex April settlement was $324.30. Page 48

BANKAMERICA, U.S. bank holding company, had its debt ratings lowered by Standard & Poor's because of falling earnings. Page 19

MEXICO, for the first time for 10 years, announced a fall in its proven oil resources. Page 19

VICTOR POSNER, Miami financier, has agreed to sell his 36 per cent stake in National Can to Triangle Industries, which has launched a $418m bid for the U.S. can maker. Page 19

AUSTRALIAN mineral and energy resource production rose 20 per cent last year to A$12.2bn (U.S. $8.5bn); gold and other resource shares led the Australian stock market to new highs yesterday. Page 4; Section III

BICC, British cable making and engineering group, lifted its pre-tax profits by more than 10 per cent to £90.3m ($104m), ending a two-year decline in profits. Page 24; Lex, Page 18

CATHAY GROUP: Taiwan group of companies, loan obligations of which might reach $500m, faces allegations of wrongdoing from a government investigation into its affairs. Page 23

NATIONALE-Nederlanden, largest Dutch insurer, is to acquire Indiana Insurance of the U.S. for $105m. Page 20

SIEMENS, West German electronics group, is to build a DM 80m ($24.4m) plant in West Berlin to make electronic control systems. Page 20

FERMENTA, Swedish fine-chemicals producer, increased sales to SKr 452m ($48.3m) last year from SKr 137m, with profits after financial items of SKr 80.2m against SKr 5.1m. Page 20

UK interest rates cut by ½ point as sterling climbs

BY PHILIP STEPHENS IN LONDON

BRITAIN'S big banks lowered their base lending rates by a ½ percentage point to 13½ per cent yesterday. The banks' move – led by Barclays and endorsed by the Bank of England – came amid favourable reaction on financial markets to Tuesday's UK budget and a strong performance for sterling on foreign exchange markets, despite some recovery in the dollar's value.

The U.S. currency fluctuated wildly early yesterday before ending the day slightly higher, as worries about the U.S. banking system triggered by the temporary closure of savings banks in Ohio subsided.

The size of the UK base rate cut disappointed City of London expectations that the stringent financial controls on public borrowing and the money supply announced in the budget would allow an immediate 1 point cut in base rates. The cut was not expected to be enough to prevent building societies – savings institutions which lend money for house purchase – from announcing a rise in mortgage rates later today.

The Bank of England indicated in its money market operations that, while it welcomed a small cut in base rates, it was not prepared to encourage a rapid fall in borrowing costs.

The Bank took the rare step, last used in August 1982, of summoning discount houses with cash shortages to the Bank itself to insist they borrow at rates in line with the ½ point cut.

It was also being made clear in Whitehall last night that the Government's approach to interest rates remained extremely coutions. The message was that the Treasury might not resist small cuts in rates if there was strong market pressure, but any significant cut in borrowing costs depended on the money supply being more firmly under control and on a sustained period of stability for the pound.

Base rates went up by a total of 4½ points in January in response to a major run on sterling, reflecting not only the strength of the dollar and concern about oil prices but also market worries about the UK Government's apparent lack of concern.

Since then, the Treasury has given the exchange rete a much more central role in determining interest rates, a point emphasised by Mr Nigel Lawson, the Chancellor of the Exchequer in his budget speech.

On that basis the building societies are expected to announce an increase in their lending charges of about 1 percentage point today, despite some pressure from the second largest society, the Abbey National to defer a decision.

The pound rose yesterday against all leading currencies in spite of some strengthening in the dollar's value. Dealers said it was barely affected by the interest rate cut, which had been widely discounted and still left UK interest rates much higher than elsewhere.

The British curreocy ended the day in London $1.5 cents higher than on Tuesday at $1.1515, although the sterling index, calculated earlier in the afternoon, was unchanged at 74.

The dollar, which suffered a dramatic fall on Monday and Tuesday, recovered somewhat against most currencies, although it fluctuated wildly in early trading.

Dealers said the U.S. currency benefited from sentiment that the initial reaction to the crisis in Ohio had been overdone, a view reinforced by an announcement by the U.S. Federal Reserve that it would lend funds to the savings banks.

Trading in the dollar, however, remained extremely nervous ahead of today's publicatioo of the official

Continued on Page 18

UK budget reaction, Pages 10–11; Economic Viewpoint, Page 17; Lawson forecasts, Page 18; Gold price, Page 48; Money markets, Page 49

ICI pioneers short-term £ corporate notes

BY PETER MONTAGNON IN LONDON

IMPERIAL Chemical Industries yesterday became the first British company to take advantage of Tuesday's budget measures lifting the restrictions on short-term securities issues by corporations.

It launched a $400m 10year international loan facility led by Citicorp which includes an option to raise money through the sale of one to five-year notes denominated in sterling. Borrowers have been deterred until now from making such issues by the strict wording of Britain's Banking Act.

Though the option is still subject to the passage of the budget legislation, bankers believe that the rule change and ICI's quick response could mark the beginning of a fully-fledged short-term market in sterling corporate paper.

"We interpret this as a first step towards a full sterling Euronote market," said Mr Alan Gillespie, a Citicorp executive director.

The sterling component is just one part of a very complex facility that will give ICI access to a range of short-term borrowings. This is in the style of a range of facilities now being developed in the Euromarkets to help multinational corporations with their cash management.

Under the facility ICI will be able to raise money in three ways. It can:

- Sell short-term Euromarket paper of up to one year denominated in dollars or in sterling for maturities of one to five years. This paper can be at fixed or floating rates. The notes will be sold through a tender panel of banks which will bid for them and then place them with investors;
- Sell bankers' acceptances (short-term paper backed by banks) denominated in sterling, dollars or D-Marks. The acceptances will also be sold through a tender panel system.
- Borrow under a revolving bank credit for which it will pay a commitment fee of four basis points (hundredths of a percentage point) during the first four years rising in stages to 10 points in the last year. The credit will bear interest at Libor, the London interbank offered rate for Eurodollar deposits, but banks will charge an annual utilisation fee of up to ⅛ per cent depending how much is drawn.

Mr Trevor Harrison, ICI deputy treasurer, explained yesterday that the company will use the facility to manage its short-term cash needs rather than to finance any new capital expenditure. "When we have a requiremant for short-term funds we will choose the cheapest route," he said.

The facility offers additional flexibility in that borrowings in dollars can be swapped into sterling which

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Lex, Page 18; International Capital Markets, Page 50

Perle attacks Howe over star wars speech

By Robert Mauthner, Diplomatic Correspondent, in London

THE WAR of words between Britain and the U.S. over the so-called star wars defence technology has hotted up with a blistering attack by Mr Richard Perle, the U.S. Assistant Secretary of Defence, on Sir Geoffrey Howe, the British Foreign Secretary.

Mr Perle's critical remarks, made on Tuesday night at a London conference on Communism and Liberal Democracy entitled "Beyond 1984" were followed yesterday by a hastily-arranged meeting between Sir Geoffrey and Mr Charles Price, the U.S. Ambassador to Britain.

Both sides emphasised that the meeting, which was arranged at the request of the U.S. Ambassador, took place in a cordial atmosphere. Officials confirmed, however, that the Foreign Secretary's speech last Friday on President Ronald Reagan's Strategic Defence Initiative and what are considered in London to be Mr Perle's somewhat intemperate comments on it were discussed.

Mr Perle said Sir Geoffrey's speech proved an old geometric axiom: "that length is no substitute for depth." The Foreign Secretary had warned that research on space-based defensive weapons must go hand in hand with a thorough study of its strategic implications if it was not to acquire an unstoppable momentum.

Mr Perle said: "In a mere 27 pages be succeeded in rewriting the recent history of the Soviet-American strategic relationship, rendering it unrecognisable to anyone who has charted its course."

Mr Perle, who is not a negotiator in the Geneva arms control negotiations between the U.S. and the Soviet Union but who is one of the most senior members of the Washington Administration involved in working out the U.S.'s negotiating stance, accused Sir Geoffrey of ignoring the Soviet arms build-up.

The Foreign Secretary had been "both tendentious and obliquely declaratory" in describing the strategic defence programme of the U.S.

He found no persuasive evidence of Sir Geoffrey's view that the Soviet Union had accepted that the Anti-Ballistic Missile (ABM) treaty of 1972 had enhanced the strategy of nuclear deterrence through the clear recognition of "mutual vulnerability."

Kohl seeks European stance on SDI; Moscow anger at MX vote, Page 2; Support for star wars attacked, Page 11

Ohio law clears way for savings banks to reopen

BY WILLIAM HALL IN NEW YORK

OHIO governor Mr Richard Celeste signed legislation yesterday paving the way for the reopening of the 71 privately-insured savings banks which have been closed since the run on their deposits last week. The banks remained closed yesterday while officials worked out final details.

The governor passed the legislation requiring all the closed savings banks to seek federal deposit insurance, after emergency meetings in Washington on Tuesday with Mr Paul Volcker, chairman of the Federal Reserve, and Mr Edwin Gray, chairman of the Federal Home Loan Bank Board, which controls the Federal Savings and Loan Insurance Corporation (FSLIC).

Mr Volcker reaffirmed yesterday that the Fed, the lender of last resort to the U.S. banking system, was prepared to lend money to the troubled savings banks until they were deemed strong enough to stand on their own.

He also condemned the "unnecessary questions" which had been raised about other aspects of the U.S. financial system following the crisis, and again stressed that it was an isolated situation which was not spilling over into the rest of the financial sector.

Ohio state officials yesterday refused to say how many savings banks would reopen. The legislation leaves open several options for saving banks which cannot qualify for federal insurance. The governor indicated yesterday some of these options would depend on arrangements yet to be reached with federal agencies.

Ohio's superintendent of savings and loan associations has considerable latitude under the legislation to allow the banks to seek federal deposit insurance cover provided they can prove they are adequately backed. Federal officials have said perhaps 30 of the institutions will be eligible for insurance.

Meanwhile, the U.S. Securities and Exchange commission (SEC) has taken further action against Alexander Grant, the Chicago auditors which audited the books of ESM Government Securities, the small Florida bond trader which collapsed earlier this month

EEC talks 'near broad agreement'

BY QUENTIN PEEL IN BRUSSELS

NEGOTIATIONS between Spain, Portugal and tha EEC on membership of the Community were locked into questions of fine detail last night. Ministers and officials expressed confidence that the broad outline of agreement had been reached on the outstanding issues.

Talks were set to continue late into the night, for the fourth night in succession, as the foreign ministers sought to conclude their marathon negotiations in time for the EEC summit meeting next week. The EEC ministers were expected to extend their own talks for a further 24 hours with the problems of the Community budget and a package of programmes for the Mediterranean areas still to be discussed.

Officials from the Italian presidency, the European Commission and the applicant states were talking last night on the exact figures to reach agreement on accession terms for fishing and agriculture, the most difficult issues. They also had to deal with the questions of social affairs and the financial relations with the two new members during their transitional period.

Mr Malcolm Rifkind, the Minister of State at the British Foreign Office, said last night that he was hopeful of reaching a successful conclusion.

"The signs are reasonably encouraging," he said. "To a very substantial extent the discussions are now concentrated on points of detail. The broad framework of the final situation is now emerging." He

Continued on Page 18

UK in cold over European union, Page 3; Car exhaust hope, Page 18

Sabotage hint in Bhopal report after Union Carbide's inquiry

BY PAUL TAYLOR IN DANBURY, CONNECTICUT

THE TOXIC gas tragedy in Bhopal, India, that killed more than 2,000 people in December was caused by "the inadvertent or deliberate" introduction of water into one of the plant's three methyl isocyanate (MIC) storage tanks, causing an enormous heat build-up and a runaway chemical reaction, Union Carbide, the U.S. chemicals group, said yesterday.

In addition, while Union Carbide insisted that it was not the intention of the report to allot blame for the disaster, Mr Anderson made clear that the company held the local management of its Indian subsidiary responsible for the alleged safety deficiencies.

"Non-compliance with safety procedures is a local issue," Mr Anderson said. "They operated that plant when it was not in conformity with safety procedures."

Specifically, the company said:

- A refrigeration unit that should have cooled liquid in the tanks had been out of operation for five months;
- A safety flare that should have burnt up escaping gas was out of service at the time of the disaster for maintenance;
- The MIC stored in the tanks was polluted with an abnormally high amount of chloroform. Union Carbide said that between 24 and 36 times the permissible amount of chloroform was found in lines connected to the tank;
- Chemical temperature and pressure gauges were not regularly checked and reset and safety procedures that should have been taken during cleaning operations had not been followed;
- Plant operators failed to spot early warnings of tha chemical reaction inside the MIC tank until too late.

The allegations were contained in Union Carbide's long-awaited internal report into the causes of the accident, released yesterday. The U.S. company concludes that the most likely immediate cause of the disaster was the presence of between 120 and 240 gallons of water in MIC tank No 610.

Mr Ron Van Mynen, head of Union Carbide's seven-man investigative team, said the most likely explanation for how the water got into the tank was that tubing intended to be connected to a nitrogen supply line had instead been connected to a water supply line.

"If someone had connected a tubing to the water line instead of the nitrogen line either deliberately or intending to introduce nitrogen into the tank, this could account for the presence of water in the tank," Mr Van Mynen said.

Mr Anderson was questioned repeatedly about whether the company's U.S. managers knew of the safety problems at Bhopal.

He said he personally had "no idea" that the plant had been run "apparently without regard to safety features."

On the question of compensation for victims of the Bhopal tragedy, Mr Anderson repeated that the company would prefer to reach a "prompt and equitable settlement" to claims rather than proceed with the numerous court cases that had been filed against the company.

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Kohl voices space weapon doubts

BY RUPERT CORNWELL IN ESSEN

WEST GERMANY will step up its efforts to secure a common European stance on the superpower arms control talks, which have just begun, in order to exert maximum leverage on the U.S. negotiating line, above all over Washington's space-base Strategic Defence Initiative SDI programme.

This was emphasised yesterday by Chancellor Helmut Kohl at the annual congress of his ruling Christian Democratic Party (CDU) here, in a keynote speech which betrayed the growing misgivings of both himself and his Government over the controversial American space weapons strategy.

Nothing, Herr Kohl argued, would do more to make a space-based defensive system superfluous than real agreement in Geneva on cuts in the stockpiles of offensive nuclear weapons held by both East and West. For that reason, Bonn was keeping its attitude about the future development of SDI open.

His remarks, in a wide-ranging policy review almost exactly halfway through his current four-year term of office, build on similar doubts expressed earlier this week by Herr Hans-Dietrich Genscher, the Foreign Minister.

They suggest how his own initial support for SDI has cooled, amid the fear that American insistence on the project could dash the chance of a deal with Moscow on reductions in strategic and especially medium-range nuclear weapons now based in West Germany and other West European countries, and which constitute Bonn's overriding interest in tha superpower talks.

Moreover, in marked contrast to his apparent endorsement six weeks ago of the U.S. plans, the Chancellor made no mention yesterday of any technological benefits which could flow to West Germany, if it took part in the SDI research programme. Nor, it is understood, has any formal offer to that end come so far from Washington.

In West German eyes, the Geneva talks have four basic purposes. These are: to preserve the strategic balance and avoid a new arms race, whether in space or on earth; to secure "drastic" cuts in medium- and long-range nuclear weapons; if possible to achieve "co-operative solutions" over missile defence and anti-satellite systems; and to re-confirm the existing ABM treaty.

In the meantime, Herr Kohl insisted that, as long as no more effective alternative deterrent was in place, Nato's present doctrine of flexibla response must remain in force. None the less, he saw a genuine chance of progress towards arms control in 1985.

This year could also be, he suggested, a "year of destiny" for the European Community, in which tha future development of the EEC could be mapped out. But, although he spelt out anew Bonn'a determination to advance towards "European unity," tha Chancellor again failed to give any concrete clue to what he meant.

He dismissed fears over a possible drift by West Germany towards neutralism, tempted by the prosjects of a reunited German nation. This would only be possible in e fully united European continent. In the meantime, the deployment of cruise and Pershing missiles had proved that Bonn was a reliable and trustworthy meber of the Western Alliance.

Defending his Government from criticism of the unilateral help given to German farmers in defiance of EEC rules, Herr Kohl claimed that not to have done so would have threatened the very existence of small family farms throughout the country.

It would also have cost the ruling coalition dear in electoral support. The choice of Essen for this week's congress was dictated by the important poll in North Rhine Westphalia in May, when the CDU faces an uphill battle to regain power in West Germany's most populous state.

Moscow anger at MX missile vote

BY PATRICK COCKBURN IN MOSCOW

THE SOVIET UNION has fiercely attacked the U.S. Senate vote in favour of the production of 21 MX missiles, as hopes diminish in Moscow that any progress is possible in the Geneva disarmament talks.

President Reagan's speech in favour of MX was immediately denounced by the Soviet news agency Tass as "filled with demagoguery and militaristic ambitions." Tass said the Administration's persistent efforts to push through Congress the allocations for the MX missiles showed that Washington was "hypocritical" in its claim to seek a rednction in nuclear arms.

Soviet officials and commentators have recently abandoned speculation, which had surfaced in the second half of last year, that President Reagan's policies on nuclear arms might be different in his second term.

In the middle of last month Mr Georgy Arbatov, director of the Institute for U.S. and Canadian Studies, and an influential adviser on foreign affairs, said the crucial question was: "Does the present U.S. Administration take talks seriously, or does it just need to claim achievements in foreign policy." Moscow now appears to bave concluded that U.S. policy has not changed even if its vocabulary is more moderate.

Ever since the new disarmament talks were agreed in January by Mr Andrei Gromyko, tha Soviet Foreign Minister, and Mr George Shultz, his American counterpart, the Soviet line has been that there can be no progress in the limitation of strategic and intermediate nuclear weapons unless space weapons are restricted.

Officials here now believe that President Reagan's determination to press ahead with the Strategic Defence Initiative known as "Star Wars" is non-negotiable, and therefore that there is little common ground between the U.S. and Soviet positions.

Soviet leaders have stressed to the Soviet public, as well as to foreign leaders, the threat posed by Star Wars to the existing balance of power. The commander in chief of the Soviet Strategic Rocket Forces, Marshal Vladimir Tolubko, recently gave a detailed account of the potential of Star Wars.

Mr Andrei Gromyko

Taking at face value many of the claims advanced for its effectiveness, Marshal Toluhko, who is in charge of all Soviet strategic missiles, said that the proposed U.S. anti-ballistic missile system "will automatically and enormously increase the ability to inflict a nuclear strike against the USSR without risking the danger of retaliation."

The actual extent of Soviet belief in Star Wars as an effective ABM system is more difficult to assess. The daily newspaper of the Soviet armed forces, Red Star, warned yesterday that Washington suggests "the simple truth is that those against whom such missiles are deployad will not sit idly by, but do their utmost to prevent militaristic strategic superiority over them."

Yet, there is a note of uncertainty in the Soviet reaction to the extent of the threat Star Wars poses. Marshal Tolubko said that there is no particular reason why the bundred U.S. satellites orbiting the Soviet Union, from which anti-ballistic missiles would be launched should not also he the launching pad for eective nuclear missiles.

Mrs Margaret Thatcher, the British Prime Minister, told Mr Mikhail Gorbachev, tha new Soviet leader, in Moscow last week that Britain regarded research into Star Wars as allowed under the 1972 treaty on ABM systems but deployment required renegotiation of the treaty.

The Kremlin is clearly aware that Star Wars, disliked by most U.S. allies, provides a diplomatic opportunity as well as a military threat. But it seems dubious about the capacity of the West Europeans to influence Washington.

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Romania to buy Soviet oil on better terms

By David Buchan

ROMANIA IS to start getting some Soviet oil next year on the standard price and better terms available to Moscow's other Comecon partners under bilateral trade accords for 1986-90 signed in Moscow this week, according to officials in Bucharest.

As a result of Romania's long-standing refusal to participate fully in Comecon integration programmes, the Soviet Union has hitherto charged it the world price for oil and demanded payment in hard currency or in "hard currency goods" such as food or the small percentage of Romanian industrial items which are of top quality. This is how Romania is to pay for all of the 1.8m tonnes of Soviet oil it plans to buy this year.

Quite why Moscow should now have relented and decided to let Romania have some, if not all, of its Soviet oil purchases at the slightly lower intra-Comecon price and in exchange for "ordinary" goods is unclear.

It is either a tribute to Romanian persistence, which has been pressing for better terms ever since stagnating domestic oil output and burgeoning industrial needs in the lato 1970s forced it into importing largo quantities of crude, or perhaps to a quid pro qno in foreign policy.

The dispatch to Moscow this week of Mr Constantin Rascalescu, hte Prime Minister, and Mr Stefan Andrei, the Fareign Minister, in addition to Romania's chief planner, makes it likely that renewal of the Warsaw Pact expiring this May was also discussed with Soviet leaders.

Belgrade announces interest rates rise

THE Yngoslav anthorities have announced details of their key policy commitment on interest rates made to the International Monetary Fund in return for a new 1985-86 standby credit, Aleksandar Lebl reports from Belgrade. This will raise commercial bank interest rates on deposits ranging from three months to two years by 4 percentage points to 58-66 per cent on April 1.

French to use V-2 technology to make nuclear submarines safer

BY DAVID MARSH IN PARIS

TECHNOLOGY derived from war-time research on Hitler's V-2 rockets could be used to help power French nuclear submarines to heighten their invulnerability to detection.

Societe de Mecanique Magnetique (S2M), a small French company which is part of the state controlled Societe Europeenne de Propulsion (SEP) rocket motor group, is working on installing vibration-free motors in French naval vessels using unique magnetic bearings.

The magnetic bearings system which S2M is commercialising for a range of scientific and industrial applications world-wide, dispense with ball bearings and lubrication in machinery by holding rotating spindles in place with a magnetio field.

The technology owes its genesis to work carried out on reducing friction in the gyroscope developed to guide the V-2s launched on London towards the close of the war. German technicians from Wernher von Braun's team at the Peenemnende rocket base carried on research in France in the post-war years, and S2M now claims a five-year lead in the field over rival companies such as Toshiba and Hitachi of Japan.

Under a contract with the French Navy signad last year, S2M has started a programme spread over several years to investigate fitting bearings on a range of boats.

A crucial area is in France's fleet on nuclear powered ballistic missile-launching and attack submarines. Because of its relatively late start in developing nuclear submarines during the 1960s, France believes it has a technical lag in the key field of dampening submarine noise to guard against increasingly sophisticated Soviet surveillance and tracking.

French officials last year launched tentative attempts to negotiate access to British secrets concerning reduced vibrations on submarine propellers, which were acquired partly through accords with the U.S.

Significantly, the Royal Navy is believed to be interested too in the magnetic bearings technology. The Soviet Union tried unsuccessfully a few years ago to acquire licences for the system.

The accord with the French Navy, which S2M officials describe as a "big" contract, amounts to the company's first major involvement in direct military work. It did explore some years ago fitting the magnetic bearings into the inertial guidance systems of France's ballistic missiles — for which SEP makes the engines—but the idea was not followed through.

S2M is also working with Electricité de France, the state utility, on fitting the bearings into beavy turbine machinery in French nuclear power stations. EdF has already ordered a 10-tonne load bearing and tha company hopes to develop equipment of 100 tonnes to fit to standard generating machinery in five or six year's time.

BNOC abolition welcomed by Nigerian Oil Minister

BY DOMINIC LAWSON IN GENEVA

THE ABOLITION of the British National Oil Corporation will hava a salutary and favourable effect on the oil market at least in the short term. Prof Tam David-West, the Nigerian Oil Minister, said yesterday in Geneva.

"The constant and perennial problem of speculation that BNOC will reduce its price is taken off. Opec will not hava to worry about what BNOC's next price move will be in future." said Prof David-West.

In the past, Nigeria had tended to follow BNOC's price movements even at tha expense of Opec's unity on prices and there bad been fears that the decision last week by tha UK Government to abolish BNOC would precipitate some violent Nigerian reaction. With the abolition of BNOC, Britain is signalling that it will move away from a fixed oil price to an unfettered spot-related price system which bas always been anathema to Opec.

But the Nigerian Oil Minister said yesterday: "UK pricing will be market related. So what? It has always been. Right now there is no British price." By this the Nigerian meant that BNOC's $28.65 price from the Brent marker crude was only the price at which BNOC bought the oil. Scarcely any oil is sold by BNOC at that price.

There is concern within Opec, however, that Nigeria which sells crude of similar quality and to the same markets as tha UK will have to follow Britain into a spot related price system, thus breaching Opec'a fixed price structure.

The Nigerian Oil Minister said that there were still many uncertainties about the future of UK oil prices such as whether there would be a fixed tax reference price that would amount to an official price. However, it is most likely that any future UK oil tax reference price would amount to an official price. However, it is most likely that any future UK oil tax reference price would be retrospective and market-related thus giving Nigeria no clear guidance. "We will bave to watch prices unfold," he said.

Airlines press for improved deal in Europe

By Michael Donne, Aerospace Correspondent

A NEW consortium of European regional airlines is now heing set up to press for improved operating rights throughout the European Community.

Called ACE, the Airline Consortium for Europe, the group met privately in Paris this week to formulate its plans. The timing of the meeting and tha establishment of tha group, coincides with an anticipated European Court of Justice jndgment condemning restrictive trade practices in European civil aviation.

Members of the group include Air Europe, Britannia Airways, Dan-Air, Monarch and Orion of the UK; Conair, Maersk Air and Sterling of Denmark; Euralair and Minerva of France; Transavia of Holland; and Hapag-Lloyd, LTU and Lufttransport Sud of West Germany.

Collectively, the 14 airlines carried 21.2m passengers in 1984, or 7.8 per cent more than in 1983, and they collectively own a fleet of over 200 turbine-powered aircraft.

France's coal chief asks Government for greater authority

BY DAVID HOUSEGO IN PARIS

THE PACE of rationalisation in the French coal industry has been thrown into douht by a serious dispute nver the running of Charbennages de France, the state-owned coal company.

M Michel Hug, the rhief executive, has asked the Government to atrengthen his powers in a wey that wonld reinforce his authority over the powerful regional boards which have virtual autonomy under the traditional structure of Charbonnages. He is also seeking government approval for a management streamlining to provide more centralised decision making and stricter financial disciplines.

Failure by M Hug to gain substantial concessions in the tussle — which is being closely watched by unions and management — would be taken in the coal industry as a partial disavowal of his pollcies. Some believe it could lead to his resignation.

Already there are signs that the quarrel has been slowing down the pace of pit closures and of new investment in higher yielding mines. At tha same time it has effectively pnt on ice M Hug's proposala for transforming Charbonnages from a domestic but ahrinking producer nf coal lntn an international coal trading and exploration company.

Under plans announced by M Hug last March coal output is heing cut from 18.3m tonnes ln 1983 to 10-13m tonnes over the next five years. The workforce is being halved from 57,000.

The group has recently reported that it broke even last year after losses of FFr 690m (£61m) in 1982 and FFr 210m in 1983. The figures take into account an annual subsidy of FFr 6.8bn.

The dispute over the top management of the company has come to a head with the retirement of the company's chairman M Philippe Hnet. M Hug wants to combine both the chairman aod the chief executive's role as a way of enhancing his authority in a situation where his existing powers are minimal.

Mr Hug already received one rehuff in July. After hia proposals for streamlining the gronp aroused an outcry from the regions, the Goveroment appointed the four regional presidents to the Charbonnages hoard—thus further weakaning his euthority.

He none the less decided to blde his tlme because his objectives had the approval of senior ministers. At the same time ha felt he would be in a stronger position once the company's financial results showed he had aucceeded in his initial goal of eliminating losses.

Interpol meets bankers over credit card crime

BY DAVID MARSH IN PARIS

LEADING figures from Interpol, the Paris-based international police nrganisation, met bankers and national police nfficers here yesterday to try to step np the fight against credit card fraud, which has reached epidemic proportions in many conntries.

The meeting in a Paris hotel was made publlc by Mr John Simpson, the new U.S. president of the 36-nation organisation, as part of a bld to win general support for tighter legislation in individnal countries to combat fraud.

Mr Simpson took over six months ago. He is presiding over a considerahle upgrading of Interpol's technological resources to beat crime.

Mr Simpson said yesterday the meeting discussed bringing national anti-fraud laws into line with the increased technological competence of credit card crooks.

In the U.S. in particular, the growth of popular interest in computers has given rise to a new generation of white collar hank thieves ahle to "read" the hidden magnetic code of stolen cards or fabricate false ones. The U.S. has recently tightened legislation against card fraud.

UK in the cold on European union

BY QUENTIN PEEL IN STRASBOURG

THE REPORT of the EEC committee of wise men on European union, commissioned by President Francois Mitterrand ond bis fellow heads of government at last year's Fontainehleau summit, scarcemakes for popular reading.

Like an ecademic treatise, half the argument is put in the footnotes by authors, who describe themselves as the "Ad Hoc Committee for Inatitutional Affairs."

The report of the Dooge Committee covers most of the key issues which have to be faced by the member-states of the European Community in the coming years, however. These range from tre elusive goal of a genuine common market in goods and services, through progress towards monetary union, to ever-increasing political and even defence and security co-operation.

In essence, the report concludes that European union is a desirable goal, hut one hest left ill-defined; virtually all the committee ereln favour of practical moves to remove internal barriers to trade (with Greece showing some residual doubts); a aubstantiat majority favours increased political and defence co-operation (Ireland and Denmark are decidedly cool on the latter); and the wise men are divided on key issues of institutional reform needed to move forward, like giving more legislative powers to the European Parllament, and removing the effective power of veto from individual memher states. On those questions, Britain joins the anti-reform minority.

Senator Dooge . . . midway position

The first uncertainty is just wbat authority the report will rarry when it la presented next week to the Headsof Government at their Brussela summit. The committee members varied from outstanding individuals with no direct goveroment membership, like M Maurire Faureof France and M Fernand Herman of Betgium, to those who clearly reflect their Government policy, like Britain's Mr Malcolm Rifkind, the junior Foreign Office Minister responsihle for Europe, and Mr Willem van Eeekelen, the Dutch Foreign Minister of State.

What Sen Jim Dooge, the chairman and former Irish Foreign Minister, failed to do was hridge the divide between idealists and pragmatists on tha most contentious issues.

Wheo the committee was conceived, a key ambition was to bring Mra Thatrher into the Community fold on questions of long-range development. On the face of it, the report has failed to do this but in practice the divisions may be more apparent than real.

The twn questions on wbich Britain was left most obviously in the cold were the remoral of the effective power of veto, whereby a member state can block a decision by citing a "vital national interest;" and the granting of more legislative and budgetary authority to the European Parliamem.

On the former, the six founder member representatives voted for a text which removes any mention of "vital national interest." Britain, Denmark and Greece proposed a minority versinn whlrh specifically includes it.

Sen Dooge himself adopted the midway position of wanting that nhrase inserted in the majority report.

Yet all agreed that more derisions should be taken by majority voting, to speed up the notoriously slow derision-making process in the Counril of Ministers. All agreed that in some circumstances, unanimity should be required. The problem was how to restrict the number of such circumsances

The effort to get a unanimous recommendation involved trying to define the so-called Luxembourg rompromise—the informal decision which enshrines the "vital national interest" procedure—so that it would be more difficult to use in the future.

The interim Dooge report, submitted to the Duhlin summit last Decemher, suggested compelling member states to "objertively justify" their move. But it also suggested a gradual phasing out of the system, whirh Mr Rifkiod could not accept.

In the event, the final majority report is less acceptable to the British Goveroment on that score than the earlier version, because now it excludes any mention of the procedure.

On the question of the powers of Parliament, Mr Rifkind was also a dissenter. He wants more consultation, but could not accept the idea of "co-decision making" with the Council of Ministers.

The result is a recommendation that a new derision-making process he instituted: the European Commission will put up a proposal; the Parliament will ameod it; and the amended version will then be put to the Counril for derision. If the Counril wishes to amend the Parliament'a plan, it will be compelled to set op a formal procedure of "conciliatinn." Mr Rifkind tahled a footnote of disseot.

The heads of goveroment are now being asked to summon an inter-gnvernmental conferenre to redraft the Treaty of Rome, with an eye on ultimate European union. Britain, Greece and Denmark would not go so far.

What is likelv tn happen is that next week's summit will simply receive the report, and government departmenta will have their rhance to chew it over before the Milan summit next June. The Britisb view is that pragmatism will prevail, at least on the question of the Luxembourg compromise, which all member states secretly aupport, whether they lika to admit it or not.

Paris worried by trade deficit

BY PAUL BETTS IN PARIS

A DETERIORATION in France's visible trade deficit during the first two months of this year is beginning to worry the Socialist Government which bas set itself the target of balancing the country's trade acounts in 1985.

For the second consecutive month this year, France registered a higher-than-expected trade deficit last month of FFr 6.5bn ($650m) oo a seasonally adjusted basis. This compares with a deficit of FFr 4.4bn in February 1984 and a deficit of FFr 3.9bn last January, bringing the cumulative trade deficit so far this year to FFr 10.4bn.

The French industry and trade ministry blamed the unusually cold weather this winter for the latest increase in the trade deficit. The cold spell led to a sharp increase in oil imports, leading to an unexpectedly high deficit of FFr 19.6bn on energy products compared with an average monthly energy deficit of about FFr 15.6bn last year and an energy deficit of FFr 14.3bn last January

The ministry also said that exports of French industrial products had recovered last month registering a surplus of FFr 8bn compared to a surplus of only FFr 4.5bn last January. Overall, exports rose by 10.3 per cent over the January level.

However, the latest figures risk jeopardising the Government's bopes of achieving equilibrium or a small surplus in the trade balance this year after cutting back the deficit to FFr 19.8bn last year from FFr 43ho in 1983.

For its part, the official statistics institute Insee has been forecasting a continued deficit of about FFr 2bn a month for the first six mooths of this year.

The deterioration in the trade figures is awkward for the Government because it appears to rule out any possibility of boosting ecooomic growth at an early stage which in turn would stimnlate imports.

Milan banker investigated

By Alan Friedman in Milan

SIG ENRICO CUCCIA, the 77-year-old *eminenre grise* of Italian finance and former chairman of Mediobanca, the powerful Milan-based merchant bank, has heeo notified by a Rome magistrate that be is under investigation for possible involvement in a network which embezzled L240bn (£102m) from state-owned companies.

Sig Cuccia is being investigated for having had knowledge of possible involvement in the embezzling of funds from IRI, the state bolding company.

Last November two other leading figures in Italy's financial establishment were arrested in the so-called "IRI black funds scandal"

Iraq keeps up air attacks on Iran

BY ROGER MATTHEWS, MIDDLE EAST EDITOR

IRAQ is keeping up its air attacks on Iranian elties *following its success* in beating back an offensive north of Basra last weekend.

Its air force struck yesterday at three towns, Bushehr, Isfahan and Kermansbah, and also attacked an Iranian supply vessel near the Kharg Island nil terminal.

Iran has respondod by maintaining its *bombardment* of Basre which again came undor shell fire yesterday and Tehran Radio warned that its long-range missileo would devastate Baghdad airport in retaliation for the exclusion zone Iraq has declared *in Iranian* airspoce.

Most international airlines have cancelled further flights to Tehran and soma bove also suspended services to Baghdad.

Fighting between the Lebanese Army and Christian militiamen resumed yesterday around Sidon's south-east suburbs following a brief lull, Richard Johns writes.

As the exchanges of fire continued, a Cabinet meeting in Beirut discussed the crisis and the Christian revolt against President Amin Gemayel. Army reinforcements were reported to be on their way to Sidon.

In tho wake of the failure of its latest offensive—U.S. officials said yesterday it bad cost Iran "tens of thousands of casualties"—Tehran appears to havo switched to a diplomatic offensive.

Aftor *talks* in Algeria, Mr Ali Akbar Velayoti, Iran's Foreign Minister, yesterday arrived in Damascus to consult with President Hafez al-Assad of Syria.

President Assad had already received a lettor from President Ali Khameini of Iran which was said to concentrate on ways of "combating Israeli aggression and attempts to generalisa the Camp David process"—an apparent reference to the Middle East peace proposals being put forward by King Hussein of Jordan and President Hosni Mubarak of Egypt.

Major Jalloud, the second-in command to Colonel Gaddafi of Libya, is already in Damascus whore ho has been joined by senior representatives of South Yemen and Algeria.

Syria is proposing closer co-operation between these members of what was formerly called tha "Rajectionist Front," e process with which Iran is anxious lo become associated.

John Elliott wriles from New Delhi: India's Minister of State for Foreign Affairs and its Foreign Secretary were despatched on a peace mission to Iran and Iraq yesterday by Mr Rajiv Gandhi, Indlo's Prime Minister, acting in bis capacity as choirman of the Non-Aligned *Movement.*

Mubarak meetings . . . with President Reagan in Washington, President Saddam Hussein in Bagbdad and King Hussein in Amman

Mubarak emerges with wider Mideast role

By Tony Walker in Cairo

PRESIDENT Hosni Mubarak is nn the move. Since October be bas made three well-publicised visits to Jordan and several to Europe. Last week he was in Washington for o high-profile meeting with Prseident Reagan, followed this week by his sudden dash to Baghdad in the company of King Hussein of Jordan.

In February he unvoiled a controverslal peace inltiotive, wblcb as o first stage proposed talks between the U.S. and o joint Jordanlen-Palestinian delegallon, leading to negotiations wlth the Israelis.

The initiative put Egypt's leader squarely ln the spotlight, an unaccustomed position for e man wbo in three careful years, as Anwar Sadat's successor, bas seemed content to remain on the fringes of regional affairs.

The reason for the sudden activity probably lies partly in Mr Mubarak's growing self-confidence, and partly because of pressure from odvisers to appear more assertive in the face of a worsening domestic economy and a sense of drift in the country. Egyptians would like once again to become a force in the region.

The immediate catalyst for Mr Mubarak'a more visible internotional role was King Hussein'a decision last September to re-establish full diplomatic relations with Egypt, broken off wben Caird signed its peace treaty with Israel in 1979.

An omorging "moderate" axis of Jordan, Egypt, Iraq and the mainstream of the Palestine Liberation Organisation has been one of the results of the Jordanian decision. Its significance was underlined by Mr Mubarak's unorthodox visit to Baghdad on Sunday, an unusual departure from protocol since full relations between Iraq and Egypt bave not yet been restored, and more in the tradition of his flamboyant predecessor.

Egypt's leader is finding, no doubt, that there are costs as well as benefits in playing for higher stakes in the diplomatic arena. It now appears to bave been a tactical error, for instance, for Mr Mubarak and his edvisers, to have fed expectation in advance of his visit to *Washington.*

In the event, Mr Mnbarak was disappointed in his efforts to persuade Presldent Reagan that the U.S. should play a more active role in attempts to revive the stalled Middle East peace process. Egypllan reqnests for additional financial belp also did not reap expected rewards and the proposal for a dlologue ond o joint Jordanian-Palestinlan delegation not necessarily including PLO members ran into difficulties wben the PLO itself made lt clear lt would not agree to be excluded.

It is in domestic affairs however, that Mr Mubarak faces bis real challenge. There is growing criticism at bome of lack of firm direction, particularly in economic policy, and contradictions ore apparent in the Government between those wbo favour a freer hand for the private sector and those who do not. Mr Mubarak's own position seems equivocal.

The economy eppears to have deteriorated in the past six months with an evident recession, difficulties over the implementation of new currency regulatlons and a alowdown in growth of Egypt's main sources of revenue, mainly workers' remittances, oil, Suez canal dues and tourism. Balance of poyments problems may be just around the corner.

Mr Mubarak is credited with doing his best under difficult circumstances at bome, but there is a feeling be should be giving a clear direction in the conduct of economic policy ond going a little faster in tackling Egypt's problems. "He's driving the car at 40 mpb in the rigbt direction," said a commentator on one of the large Egyptian daily papers," but I would prefer it if he was going at 70 mph."

Top Taiwan security man 'called for killing'

By Robert King in Taipei

THE MAN accused of masterminding the murder of e Chinese-American jouranlist and author in the U.S. last year, has claimad that he was under instructions from a top Taiwan security official, who has denied involvement.

Mr Chen Chi-Li, whom Taiwan authorities ssy plannod and oversaw the murder of Mr Henry Liu, a critic of the Nationalist Government, *said* on the opening day of his trial that Vice-Admiral Wong Hsiling, bead of the Defence Ministry's Intelligence Bureau, told him that be sbould arrange Lia's death because it was claimed, he bad betrayed Taiwan intelligence operatives in China.

Mr Chen, allegedly a major figure in the "bamboo union," Taiwan's largest crimo family, has ascribed his motives in accepting the alleged assignment to patriotism.

Mr Liu was gunned down in the garage of bis home in Daly City, California, last October. From the beginning, critics of the Nationalist Government abroad bave charged that tho killing was politically motived.

Allegotions of possible involvement by the Taiwan Government bave severely strained relations between Washington and Taipei.

The Intelligence Bureou, whicb bas relieved Admiral Wong and two subordinates of their posts during investigation of charges against them, bas said thot it employed both Mr Liu and Mr Chen to gather informotion nn Chinese Communists abroad.

Tbo bureau said that lt had nothing to do with Mr Liu's *death, but did* not *discount* the possibility that somo of its officiala may bove heen involved.

All three security officials bave reportedly told the prosecutor in the case against Mr Chen and Mr Wu Tun, a subordinate, that they neither ordered the killing nor had any prior knowledge of it.

Mr Chen also said ln open court that ho orded his lieutenants, Mr Wu ond Mr Tung Kuel-sen, *currently a fugitive,* to beat up Mr Liu, rather than kill him.

The trial judge bas not yet set a date for continnation of the proceedings.

U.S. business hits at apartheid

BY ANTHONY ROBINSON IN JOHANNESBURG

THE U.S. Chamber of Commorce here has added its voice to the growing pressure on the South African Government from business for fundamental changes in the apartheid system as the best woy of beading off the disinvestment campaign.

Mr Frank Lubke, tho Chamber's president, said that none of the 360 U.S. companies operating in South *Africa* favoured disinvestment, but that the disinvestment campaign should be fought primarily by Americans in America.

For lts part, the Chamber has sent a memorandum to Mr Chris Heunis, Minister for Constitutionel Development, with a list of changes lt bolieves to be desirable.

High on the list is revision of the pass and other influx control lows. These restrict the free movement of blacks and distort the pattern of urbanisation. The chamber described this pattern as "a necessary prerequisite of economic growth."

It also called for the granting of freebold rights to urban blocks, describing it as "a right whicb ties at the very beart of the free enterprise system," the denial of which undermlnes black commitment to that system.

The Chamber also called for the lmmediate end to forced removals of people from traditional black villages in "white areas" which South African business leaders have singled out as the practice most likely to contribute to any eventual success of the disinvestmont lobby.

As for the migrant labour system, under which black mon from the homelands and elsewbere work in mines and factories for 11 months a year separated from their familios, the Chamber described it as neither "socially desirable, nor conducive to productivity nor morally right, nor compatible with morriage and fomily life," and called for its phasing ont.

It also demanded tho opening up of white central business districts to businessmen of all races, South African citizenship for those deprived of it under the homelands policy and an effective negotiating forum for all races.

This ahould include black leoders now in jail or exile and the declaration of an amnesty "subject to agreement to participate in lawful democratic procedures and to dissociate themselves from violence."

According to U.S. Department of Commerce figures for 1984, direct investment by U.S. companles in South Africa totalled \$2.3bn (£2bn). The U.S. is South Africa'o biggest single trading partner.

Ershad seeks referendum confidence vote today

BY SAYED KAMALUDDIN IN DACCA

LT-GEN Hossain Mobammad Ershad, Bangladesb's milltary ruler, today seeks his nation's support in o personal referendum on his continuation as President nntil national elections are held, and support for *his economic and administrative* programmes.

President Ershad wants a vote of confidence after his cancelling for a fourth time parliamentary elections, to substantiate his claim that the country will be returned to democracy.

President Ershad seized power in a bloodless *coup* in 1982 ond subsequently banned opposition political activity. Ho has also defused opposition calls for a general strike by declaring today a public holiday.

President Ershad, who also bolds the post of chief martial law edministrator, has revived the offices of martial law administrators at all levels of administration along with summary and special military courts, and has ordered the firm application of all martial law provisions.

On December 15, President Ersbod said he would bold parliamentary elections on April 6 and announced a five-point *modas vivendi,* making more concessions to opposltion demands.

The two main opposition *alliances* did not, for the *first* time, reject the offer ontright, but came out with additional demands as precondilions for their participation in tha elections.

Australia's resources output rises 20%

By Michael Thompson-Noel in Sydney

AUSTRALIA continued to make headway as a major minerals and energy producer last year, with resources production rising by 20 per cent to A\$12.2bn (£7.6bn), of which A\$11.3bn-worth was exported.

The Australian share market reached an *all-time high* yesterday, with gold and other resource stocks leading the way.

Senator Gareth Evans, Australia's Resources and Energy Minister, said in Canberra that there were grounds for "cautious optimism" concerning prospects for demand and production improvements this year.

For example, Australian coal exports in the year to June 30 1985 *are expected* to reach a record 82m tonnes—16m tonnes more than in 1983-84, maintaining Australia's position as the world's leading coal exporter.

However, the Government has cut back its estimates of likely crude oil production, following disappointing test results last year at the Jabiru oil find in the Timor Sea, off northern Australia.

The Bureau of Mineral Resources says that production of oil and condensate could fall from about 185m barrels in 1984-85 to about 160m barrels by 1988. Jabiru is thought to contain only 40m barrels, against earlier hopes of 200m barrels-plus.

A total of 370 oil and gas wells are likely to be drilled this year, virtually the same as in 1984.

Senator Evans said Australia was poised to take advantage of any upturn in world resources demand, with considerable excess capacity in coal, iron ore, aluminium and manganese.

The outlook was also good for gold, diamonds and mineral sands, but no better than modest for traditional base metals.

On the vexed issue of Aboriginal land rights, Senator Evans said that Aborigines would not enjoy a complete or *de facto* veto over mining proposals for their land.

Compensation would be related to environmental damage or disturbance—not to the value of tho minerals likely to be discovered.

Nicaragua shelves loan application

BY HUGH O'SHAUGHNESSY IN LONDON AND TIM COONE IN MANAGUA

THE NICARAGUAN Government has temporarily withdrawn its application for \$58m credit from the Inter-American Development Bank (CIDB) amid indications that the U.S. Government is making extreme efforts to block it.

Last week, Mr George Shultz, Secretary of State, telephoned and wrote to Sr Antonio Ortiz Mena, the IDB president to seek a deferral of the loan. The State Department is not the usual channel of communication between the U.S. Government and the bank. The U.S. Treasury normally fulfills this role.

Reports from Washington suggest that the U.S. Government is seeking to persuade at least one Latin American government to join it in opposing the credit and thus break the usually solid Latin American front on loan applications.

Washington hopes that President Alfonsin, now in the U.S., might be persuaded to oppose the Nicaraguan loan in exchange for increased U.S. aid to Argentina.

Bank officials privately express dismay et what they see as the undue politicisation of the debate on this issue. Nicaragua has promised it will raise the subject ot next week's IDB 25th anniversary meeting in Vienna.

The credit was to have gone to small and medium-sized farmers and for food production.

Nancy Dunne looks at the darker side of America's economic success story

Gap grows between rich and poor in U.S.

"AMERICA has rediscovered that the key to greater economic growth, opportunity, prosperity for all, is to unharness the energies of free enterprise . . . It was the individual workers, business entrepreneurs — not Government—who created virtually every one of our 7m new jobs over the past two years."

President Ronald Reogan, February 1984.

U.S. personal income rose a weak 0.3 per cent last month, as farm and factory pay declined and the savings rate slipped lower, the U.S. Commerce Department reported yesterday, writes Nancy Dunne.

The report reinforced tho perception of many analysts that the economy is slowing. It showed personal spending up 0.7 per cent in February, slightly less than in December and January.

Factory workers' payrolls dropped \$1.1bn calculated at an annual rate. Hourly pay went up in February, but there were fewer workers and bours worked were down, the department said.

Farm income dropped \$3.6bn, seasonally adjusted, after declining \$5bn in January.

U.S. LABOUR TRENDS

Industry sector	Number of workers (m)	Percentage change	Average weekly ($)	Percentage change (consumer price index +103%)
Government	4.8m (1974)		224 (1974)	+80.6
	13.3m (1984)	+214	404 (1984)	
Wholesale retail trade	10.4m (1974)	+19.5	166 (1974)	
	12.4m (1984)		314 (1984)	+89.2
Construction	4.3m (1974)	−4.8	225 (1974)	
	4.1m (1984)		400 (1984)	+78
Manufacturing	19.6m (1974)	−1.6	188 (1974)	
	19.25m (1984)		393 (1984)	+109

Source: Labour Department statistics.

IN THEIR frequent self-congretulations on the U.S. recovery, Reagan Administration officiala rarely fail to mention the creation of millions of new jobs. Indeed, the power of the American economy to put its own people bock to work while absorbing tbe imports of the rest of the world has evoked wonder and admiration abroad.

Yet pockets of depression, in manufacturing, exports and agriculture, mar the picture. Buried beneath the rbetoric is another America, emergiog as a two-tiered society with a growing gop between the well and poorly paid.

The labour movement, which once pushed blue collar workers into the middle ond upper middle lncome groups, is at its nadir, borely hanging on to 19 per cent of the workforce. With their primary concern now job security, organised workers often take pay cuts—last year American union members received average pay rises of only 2.4 per cent, the lowest in the 17 years that statistics have been kept by the Labour Department.

"With the weakening of the industial sector, a serious mismatcb bas developed between tbe jobs being lost aod those belog created in our society," the AFL-CIO, the U.S. trado union umbrello organisation, reports.

"Millions of relatively well-paying production jobs in manufacturing and construction bave been eliminated, while the overwbelming bulk of employment created by the expanding service lndustries bas been concentrated ln jobs with very low incomea and little realistic opportunity for upward mobility. Conversely, the bigher paid layers of menagers, engineers and professionals at the *top bave been strengthened,* but only slightly." As e result, says tbo AFL-CIO, the U.S. is slowly losing its once-middle income ller of workers.

This fundamental employment trend fails to appear in the regular *monthly* Government economic statistics, wbich, since the recovery, genarally paint a picture of widespread prosperity. The Commerce Departmeot, for example, reported that per capite personal income leaped an impressive 132 per cent from \$5,463 in 1974 to \$12,729 in 1984 (during wbich period the inflation rate rose 103 per cent).

The figures include lnterest rate earnings, bowever, which ore a growing component of upper level incomes.

The unemployment level, at 7.3 per cent last month, indicates the economic weakness. About 5.3m workers hold part-time jobs, and it is estimated tbat if they were included in the figures of those who cannot find fulltime work, the unemployment rate last month would have been 9.7 per cent. An estimated 1.5m "discouroged workers" who bavo stopped looking for jobs, are not *taken into account.*

Unpublished Labour Department data brings the jobs picture into cleorer focus. Between 1974 and 1984, the U.S. lobour force increased 23 per cent. During the decade, unemployment rose by 66 per cent.

In 1974, 40 per cent of American workers produced goods and 60 per cent provided services. A decade later, the production sector had declined to 33.8 per cent, with services rising correspondingly. Analysts expect the service industries to employ almost 75 per cent of the workforce by 1990. Meanwhile, tho earnings of service workers from 1974 to 1984 fell from 1.1 per cent below the average to 5.76 per cent below, while the wages of the shrinking number of goods-producing workers rose obove the overage.

Within the services sector, a dichotomy has developed. According to the AFL-CIO, for every two new jobs offering relatlvely good pay and demanding professional and managerial skills, the service sector creates three or more jobs characterised by low wages and limited skills. Virtually no medium-paid skilled jobs are developing.

Tha American unions have *faced massive resistance* in organising the services industries and they say that the federal Government bas encouraged bostile employers to fight new unions by providing increasingly less protection to workers who exercise their right to be organised.

However, it is changes in American society as much as Government policy which are prodncing the new mix in the workforce. Tho inflation of the last decede and bigher edncation for women spurred the rise of two-earner families, which eat more in fast-food restaurants and *require retailers* to hire more low-paid workers for evening and Sunday hours. The growing number of elderly bas created a boom for hospitals, nursing homes and other services in which workers are generally poorly paid.

"No-one has looked into the oocial implications of this shift in the labour force," says Mr Wayne Howe, an economist of the Bureau of Labour Statistics. "Women are increasingly employed in business services, but they are earning less, working only part-time, getting fewer benefits.

The AFL-CIO contends that the changing labour scene augers ill for the economy. "An eroding industrial base cannot support a bealthy economy," it says. "Service industries largely oervice industrial production (i.e computer, financial and transportation services) or provide personal services to people employed directly or indirectly by industry. Neither high tech nor services can thrive without a bealthy industrial base."

But thus far, services are thriving. It is a telling development and an indication of whera the future lies that McDonalds is now reported to have more employees than General Motors.

Mexico helps a third fellow debtor state

BY DAVID GARDNER IN MEXICO CITY

MEXICO HAS provided the Dominlcan Republic with \$23m (£20m) in bridging finance to tide it over until the debt-barried Caribbean nation reaches agreement with the IMF on a new standby errangement.

This is the third time that Mexico, Lalin America's second largest foreign debtor after Brazil, with \$96bn owed abroad, has lent emergency funds to other regional debtors.

A year ago, Mexico advanced \$50m to Costa Rica to enablo it to keep up with repayments. It subsequently put together an 11th-hour solution to the Argentine debt arrears imbroglio at the end of last March.

Mexico is motivated by two main concerns. First, it has been keen to avoid any debt upset which might turn the financial markets against Latin America as a whole. In addition its more immediate regional activity has been designed to underpin its political efforts to resolve local conflicts, particularly in Central America.

The Mexicans conceived the rescue package for Argentina so that U.S. banks could clear up their interest arrears on Argentino loans and not be forced to declare them non-performing on their quartorly balance sheet.

The Mexicans have been quick also to belp the Dominican Ropublic, whose attempts to introduco an IMF-inspired austarity programme have twice been mot with wide-scale rioting in the last year, in a number of ways.

Sr Angel Gurria, the architact of Mexico's pioneer multi-year rescheduling of \$48.7bn of public foreign debt, was prosent es an edviser of the Dominican Republic's recent talks with its creditors in Miami on the restructuring of its \$2.6bn foreign debt.

Brazil imposes price controls

Temporary price controls have been imposed on a wide range of industrial and domestic goods by the new Brazilian Government, as part of its all-out effort to bring inflation, now running at an annual rate of over 230 per cent, nnder control, reports Andrew Whitley from Rio de Janeiro.

Somo 300 products and services, ranging from vehicles to basic foodstuffs are included in the scope of the order. For an initial period of 30 days no increases will be permitted.

Clydesdale Bank PLC

BASE RATE

Clydesdale Bank PLC announces that with effect from 21st March 1985, its Base Rate for Lending is being reduced from 14% to 13½% per annum

Midland Bank Interest Rates

Base Rate
Decreases by 0.5% to 13.5% per annum with effect from 20th March 1985.

Deposit Accounts
Interest on Deposit Accounts decreases by 0.25% to 7.5% net p.a. with effect from 20th March 1985.

Interest for those customers who will continua to receive their interest gross decreases to 10.03% p.a.
Interest paid before 6th April 1985 will also be at tha gross rata.

Midland Bank
Midland Bank plc, 27 Poultry, London EC2P 2BX

TSB BANK

Base Rate

With effect from the close of business on 20th March, 1985 and until further notice TSB Base Rate will be 13.5% p.a.

Trustee Savings Banks Central Board,
PO Box 33, 25 Milk Street,
London EC2V 8LU.

The Royal Bank of Scotland

Base Rate

The Royal Bank of Scotland plc announces that with effect from close of business on 21 March 1985 its Base Rate for lending is being decreased from 14 per cent per annum to 13½ per cent per annum

Bank of Scotland Base Rate

Bank of Scotland announces that, with effect from 21st March 1985 its Base Rate will be decreased from 14.00% per annum to 13.50% per annum.

BANK OF SCOTLAND
A FRIEND FOR LIFE

Base Rate

Williams & Glyn's Bank announces that with effect from 21st March 1985 its Base Rate for advances is reduced from 14% to 13½% per annum.

Williams & Glyn's Bank plc
A member of The Royal Bank of Scotland Group plc

YORKSHIRE BANK Base · Rate

Yorkshire Bank announces that with effect from close of business on

Wednesday 20th March 1985
Base Rate is reduced from 14% to 13½%

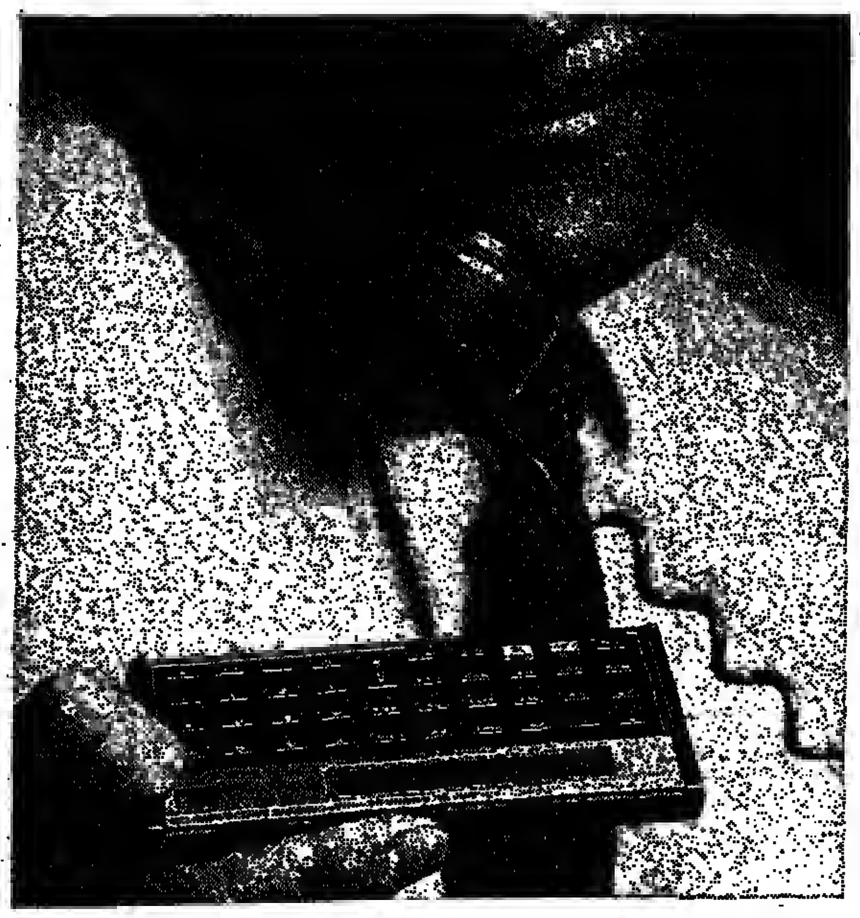
Yorkshire Bank
Head Office
20 Merrion Way, Leeds LS2 8NZ

Hill Samuel Base Rate

With effect from the close of business on March 21st, 1985, Hill Samuel's Base Rate for lending will be decreased from 14 per cent to 13½ per cent per annum. Interest payable on the Bank's Demand Deposit Account will be at the rate of 10½ per cent per annum gross

Hill Samuel & Co. Limited
100 Wood Street, London EC2P 2AJ.
Telephone: 01-628 8011.

With a growth rate of 10¾% per annum and an existing market share of 0.346, how many extra units will we need to meet target this Fiscal?



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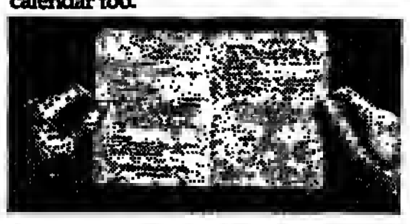

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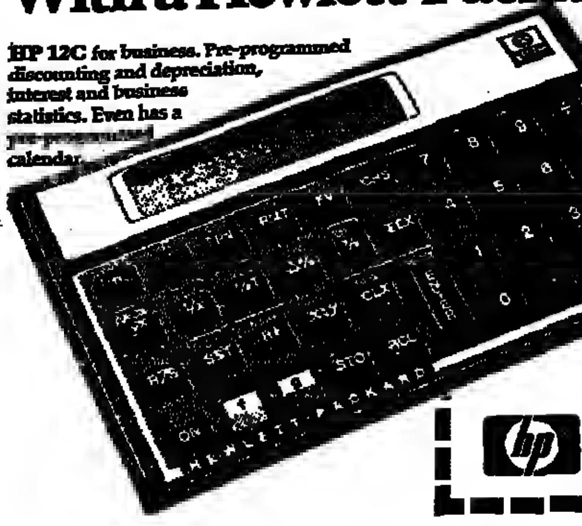

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Company____
Address____
Postcode____
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HEWLETT PACKARD

Standard Chartered Bank

announces that on and after 20th March 1985 its Base Rate for lending is being decreased from

14% to 13½% p.a.

The interest rata payabla on deposit accounts subjact to seven days' notice of withdrawal will ba decreased from 11½% to 10½% p.a.
The interest rate payable on High Interest daposit accounts subject to twenty-ona days' notice of withdrawal will be decreased from 12½ to 11½% p.a.

Standard Chartered

Grindlays Bank p.l.c. Interest Rates

Grindlays Bank p.l.c. announces that its base rate for lending will change from 14 to 13½% with effect from 20th March 1985

Grindlays Bank p.l.c.
Head Office: Grindlays Bank plc, Minerva House, Montague Close, London SE1 9DH.

FUTURES INSTRUMENTS FUTURES TRADING FUTURES/RISK PROTECTION

The Banker in May will be discussing the futures markets around the world. The link-ups between exchanges and the international dealers and brokers who operate across the world's leading markets.

Banks, brokers and institutions committed to the expansion of the international futures markets who wish to edvertise in the May issue of The Banker should contact:

The Marketing Director
THE BANKER
102 Clerkenwell Road
London EC1
01-251 9331
Telex: 23700

The Insurance Corporation of Ireland p.l.c.

(Administrator provisionally appointed)

A STATEMENT FROM THE ADMINISTRATOR, WILLIAM M. McCANN, F.C.A.

The Insurance Corporation of Ireland p.l.c. was last Friday acquired by a company controlled by the Minister for Industry, Trade, Commerce and Tourism.
Following the acquisition, I have been provisionally appointed as Administrator of the Insurance Corporation of Ireland p.l.c. by the High Court on the application of the Minister for Finance.
My function is to take over the management of the company's business which will be carried on as a going concern with a view to placing it on a sound commercial and financial footing.
In particular, I wish to emphasise that the insurance cover provided under all policies remains in force; the terms and conditions of all such policies remain unchanged.
The Government has announced that it will provide adequate financing for this purpose.

WILLIAM M. McCANN
Dublin, 18th March, 1985

HongkongBank

announces that on and after 21st March, 1985 the following annual rates will apply

Base Rate . . . 13½% (Previously 14%)
Deposit Rate (basic) 10½% gross (Previously 11%)

The Hongkong and Shanghai Banking Corporation
The British Bank of the Middle East
Wardley London Limited

French win contract for Nigerian oil refinery

By Paul Betts in Paris

SPIE BATIGNOLLES, the international construction subsidiary of France's Empain-Schneider conglomerate, will share in e $550m (£500m) centract with e group of Japanese companies to build a large oil refinery in Nigeria.

The French company confirmed yesterdey it hed signed an initial contract with Nigeria last month, but said it was still negotiating the financial aspects of the deal with the Lagos authorities. In view ef Nigeria's economic difficulties, the negotiatiens are expected to be both cemplex and protracted.

The contract involves the construction ef a 150,000-barrels-a-day eil refinery at Port Harcourt on the Gulf of Guines for the Nigerian National Petroleum Corporation. The French company's Japanese partners in the venture are JGC Corporation and Marubeni Corperation.

Under the terms ef the agreement, construction ef the refinery sheuld be completed by the summer of 1987. The Japanese interests are expected te provide equipment and services for abeut $310m, while Spie Batignolles will supply ebout $240m worth.

The Bank of Jepan is understood te be willing to increase a loan to Nigeris to belp finance the construction of the new refinery.

Canute James reports on the anger an imports stamp duty has created

Trinidad stirs a Caribbean storm

IN RECENT years Jamaica and Guyana beve been the betes noires of the Caribbean Economic Community. In order to protect their frayed domestic economies, both instituted measures which, from time to time, restricted the access to their markets for goods produced in the other 11 Community countries.

Now it is Trinidad and Tobago, the Community'e richest member despite its dwindling hard currency reserves, which is in the eye of the Caribbean trade storm.

Recriminations

It was in order to protect these reserves thet Trinidad demanded all imports be licensed. Other partners in the community cried foul. The arrangements fer preferential entry to each others market were not being ebserved by Trinidad they argued.

Now the tempo of the claims and counter claims bas increased, following Trinidad's imposition of a 12 per cent stamp dnty on imports.

Such has been the neture of the recriminatious thet the raison d'etre of the 11-year-old community, with e total market of 5.5m, is being questioned.

Regional anger at Trinidad has been fuelled by the fact that the increased duties have been levied after the community heads of governments, at a July meeting, claimed a sort of breakthrough in efforts to increase the volume of intra-regional trade.

Trade among them has been falling, from $555m in 1982, te $481m in 1983, the same value provisionally put on last year's commerce.

The leaders had agreed on a common external tariff on imports from outside the community. The list of "sensitive goods" which the community is attempting to protect includes steel, cement, fertilisers, car parts, processed food, and a range of consumer durables.

Separate regional trade protocols on garments and agricultural products are being drafted.

More significant for e short-term improvement in trade volumes was an undertaking from the other 12 to increase the level of their purchases from Trinidad.

For its part, the Port of Spain Government said It would progressively dismantle the protectionist measures it had implemented. Now other countries are arguing that the imposition of the stamp duty on imports indicates a reneging by Trinided en Its promises.

Behind Trinidad's actions is a serious drain on Its hard currency reserves hecause of the softening market for oil, its major export. Reserves have fallen from $3.3bn three years ago to ehout $1.25bn now.

Particularly angered by the *Trinidadian* move has been Barbados, whose valuable light manufacturing sector bas been suffering from reduced ecess to the Trinidad market.

Barbadian officials say that an indication of their desire to normalise trade relations is clear in a move to implement the agreements reached at the July summit.

The summit pledge was that once the tariff rises were in place, the non-tariff barriers to the Caribbean Community would be removed.

Mr Tom Adams, Prime Minister of Barbados, said before his unexpected deethr a fortnight ago: "The primary reason for the heads of Government agreeing to the increases in the Common external tariff was to stimulate the expansion of *manufacturing output* and trade within the community . . . to give a higher level of protection to goods produced in the region."

The Barbadian position will be maintained by Mr Bernard St John, who was sworn in as Mr Adams' successor last week.

Stalemate

Trinided has not been impressed. A Government report on regional trade accused Barbados ef duplicity.

The report said Barbados had not shown ". . . any apparent willingness to dismantle its *system of non-tariff barriers* to Community products."

Because of reduced access to Guyana and *Jamaica*, the report argued, the smaller members of the Community were concentrating their efforts on the Trinidadian market.

The Trinidad and Tobago Manufacturers Association has asked the Government not to remove restrictions on imports, accusing other community countries of not respecting the agreement to buy more from the country.

The government has egreed and "is fully cognizant of the severe economic difficulties being experienced by community member states," said Mr Carlyle William, an advisor to the *Trinidad Finance Ministry*.

"We are equally concerned that the measures introduced by some member states in response to these developments . . . are detrimental to the *well-being* of Trinidad and Tobego."

Even if the stalemate is broken, the Community members face an equally intractable task in creating facilities for financing regional trade.

A $100m multileteral trade clearing facility is now exhausted, beving reached its limit, with Guyana the mein delinquent In accumulated arreers.

Plans to obtain new financing for the fecility will beve to await some indicetion thet community members will be willing to settle their differences.

The trade deadlock has had efficials from the community secretariat burrying around the region seeking a way out.

"It weuld not he fair to say that the validity of the community is threetened by indications of parochial tendencies on the part of some members," said an official of the secretariat." But if the deadlock is not hroken soon, then we may be ferced to start thinking ef the community as a failed experiment."

EEC and U.S. in talks on liberalisation

By Paul Cheeseright in Brussels

EUROPEAN COMMUNITY trade diplomacy moves into a new phase today when Mr Willy de Clercq, the commissioner in charge of *external relations, starts talks* with the Reagan Administration in Washington on launching a series of liberalisation moves.

Mr de Clercq arrived in Washington with the backing of trade ministers for starting a round of multilateral trade negotiations, the first time the Community has unequivocally backed an initiative sponsored by the U.S. and Japan.

Although the Community is not yet clear when such a round would start, it is willing to give it an EEC flavour by suggesting it sheuld take place in Brussels. *Thus the Brussels Round* of the 1980s would be the successor to the Tekyo Round of the *1970s* and *the Kennedy* Round of the 1960s, all held under the auspices of the General Agreement on *Tariffs* and Trade (Gatt).

The decision of the trade ministers late en Tuesday means that the leaders of the world's largest trading bloc are agreed on the need for liberalisation measures.

But *Mr* de Clercq is expected to find in Washington that when he meets Mr *Malcolm Baldrige, the Commerce* Secretary, and Mr William Brock, the U.S. Trade Representative, there is a difference in Transatlantic emphasis.

The Community declaration backing trade negotiations carries with it a demand that, in parallel, there should be an effort to improve the *working of the international* monetary system. Hitherto, the U.S. has been very cautions on such a move and has rejected any linkage.

At the same time the EEC effectively barred from discussien the question of its ewn exporting policy for farm prodncts, long the subject of U.S. antagonism. Determination *that "the fundamental* objectives and mechanisms, both internal and external, of the Common Agricultural Policy should not be placed in question" was stressed by the trade ministers.

The EEC has come round to the U.S. view, *however*, that trade in services is a suitable topic for trade negotiations.

The U.S. has been pushing for high technology trade to be included, but on that the Community is silent.

World trade up 9% to record level, says Gatt

BY WILLIAM DULLFORCE IN GENEVA

THE VOLUME of world trade grew hy 9 per cent last year, recording the largest *gain* in eight years and reaching an *all-time* high, according to a preliminary assessment released yesterday by the General Agreement on Tariffs and Trade (Gatt).

While welcoming the 1984 trade rebound, the Geneva-based trade organisation notes that It was somewhat less vigorous than the two previous cyclical recoveries of 1968 and 1976 and came *after an* unusually long period of weak growth.

The Gatt secretariat *also* expressed disappointment thet renewed trade growth had not, as it had hoped, helped ease tensions between countries over trade issues.

Among the salient features of 1984 were Japan's emergence as *the world'e largest exporter* of manufactured goods and a relatively strong gain in export earnings by tho *developing* countries, including several heavily indebted nations.

Japan pushed West Germany from the top spot in exports of manufactures *measured* in dollars. A contributing factor is likely to have been the 25 per cent *expansion last year in* exports of *electronic products*, where the Japanese are particularly strong.

The growth in the value of electronic exports was more than twice the average *growth* for all manufactured goods.

Exports of manufactures—with a 12 per cent volume growth—led the trade rebound as they had done in the two previous cyclical recoveries. Exports of agricultural products and minerals rose by 5 per cent.

Automobile exports rose in value et ebout the average rate of 10 per cent.

Trade in iron and steel products, which had fallen for three consecutive years, is estimated by Gatt to have risen in 1984 at a rete somewhat higher than the 7 per cent increase in world steel output.

The develeping countries increased their total export earnings by 7½ per cent last year with exports of all products except fuels up by 15 per cent.

Monetary and fiscal restraint at home, coupled with the recovery in the *industrialised* countries, hrought about a resumption of export growth in 10 heavily indebted countries, including Argentina, Brazil, Mexico and Nigeria.

LUXLANE TRUST S.A.

NOTICE OF MEETING

Notice is hereby give that the Aenuel General Meeting of the Compeny will be held at the offices of Hoogewerf end Co SA (Hocolux), 43 rue Goethe, Luxembourg, on Friday 12th April 1985 at 2 p.m. for the fellowing purposes:

Te conduct the ordinery business of the compaey end to pass the followieg special resolutions:

(1) That the followieg amendmeets to the Articles of Incorporation be adopted end approved:

(a) Article 1 to read "the eame of the Corporation is Luxlane S.A."

(b) All refereecoe in Articles 41(b), 48(e) end 49(b) to "alternate director" to read "proxy."

(c) *Article 25(d) be renumbered 25(e).*

(d) New Article 25(d) to read "the reappoletment of auditors aenually by the shereholdere in general meeting."

(2) That the *President* and *Secretary* of the Company be autherised to execute the certificatee of emendmeet of the articles certifying the ebove meetioned amendments.

The official ageeda of the meeting eed copies of the latest enauel report and audited accounts will be evailable as from March 29th 1985 for collection from the offices ef Hocolux eed the specified paying agents.

Shareholders may *vote* at the *meeting* either by attending *in* person with their share certificatee or by depositieg their certificates with e bank. In the letter case special baek depository receipts to the order of a specified paying egent, votieg certificates end certificates ef block voting instruction must be *filed with a specified paying agent by 2 pm* on Wednesday 10th April 1985. The certificate of block voting instruction, voting certificate end special baek depository receipts may be obtained from a specified paying agent.

By Order of the Board
F. N. HOOGEWERF
Secretary

Regd. Office:
Edificio Bank of America
Calle 50 Apartado 6307
Panama 5

Paying Agents:
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27 Avenue Monterey, Luxembourg

Rea Bros PLC
King's House, 36-37 King Street
London EC2, England

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(Second Series)

S. G. WARBURG & CO. LTD., announce that *Bonds* for the nominal amount of £29,500 have been drawn for the semi-ennual redemption instalment due 1st April, 1985.

The distinetive numbers of the Bonds, drawn in the presence of a Notary Public, ere as follows:—

£1,000 Bonds

8531	8654	8672	6713	6748	8799	6861	8867	8930	6961
9034	9071	9114							

£500 Bonds

7276	7320	7342	7403	7425	7456	7474	7501	7655	7618
7651	7699	7719	7745	7764	7804	7876	7892	7928	7956
7995	8040	8081	6147	8213	8249	8261	8310	8346	8388
8456	8487	8510							

On 1st April, 1985, assented Bonds will become payable at the new par velue of £174 for each £100 nominal, together with accrued interest to said date at the effice of:—

S.G. WARBURG & CO. LTD.,
Bond Department, 33, King William Street,
London, EC4R 9AS

Interest will cease to accrue on the Bonds called for redemption on and after 1st April, 1985, and *Bonds presented for payment must have attached all coupons maturing after that date.*

£82,100 nominal Bonds will *remain outstanding after* 1st April, 1985.

The following Bonds drawn *for redemption on the dates stated below* have not yet been presented fer payment:—

1st October, 1984

£100 Bonds	2471	3793							
£500 Bonds	7231	7455	7733	7950	8184	8337	8471		

1st April, 1984

£100 Bonds	735	3057	3496	3716	5804				
£500 Bonds	7669	6172							

1st October, 1983

£100 Bonds	1338	1760	2287	3277	3894	4038	5542	6122	6214
£500 Bonds	7478	7596							

1st April, 1983

£100 Bonds	2237	3513	3626	4105	4316	5475	5628	5799	6545
	6686								
£1,000 Bond	8636								

1st October, 1982

£100 Bonds	669	1362	1931	5523	5974				

1st April, 1982

£100 Bonds	150	354	1065	1177	2496	3424	3631	3895	4368
	4698	4805	4903	4937	5023	5684	5858		
£500 Bonds	7353	7868							
£1,000 Bond	6761								

1st October, 1981

£100 Bonds	2236	3432	4229	5244	6081	0179			

1st April, 1981

£100 Bonds	10	780	1929	6288	3676	3729	4030	4205	4581
	5238	5543	5630	5685	5826				

1st October, 1980

£100 Bonds	714	2422	2922	3318	3484	3884	4314	4388	4742
	4767	5975	6123	6361	6449	6489	6687	6981	7131
£500 Bonds	7503	7992							

1st April, 1980

£100 Bonds	2600	2733							

1st October, 1979

£100 Bonds	3117	3489	4503	4624	4887	4954	5544	6983	

1st April, 1978

£100 Bond	4830

1st April, 1977

£100 Bond	4316

1st October, 1975

£100 Bond	2734

33, King William Street, London, EC4R 9AS — 21st March, 1985

U.S. output of paper and board slows

BY TONY JACKSON

U.S. OUTPUT of paper and board has begun to slow this yeer. In the first two months of 1985, the annualised rete of outpnt was 68m tons, egainst an actual output in 1984 of 68.7m tons.

"This performance suggests *that the economy is moving* into e maturing phase," said the American Paper Institute.

Througheut last year, the strength of the dollar prompted a sherp increase in imports. Total paper end boerd imports rose by 24 per cent to a record 10.4m tons, and wood pulp imports went up by 10 per cent to 4.5m tons. The total U.S. trade deficit for all paper products came to $2.9bn (£2.6m).

U.S. paper companies continued the cyclical upswing in profits established the previous yeer. API figures on 32 peper companies (two-thirds of the industry) *show 1984 sales up by* 17 per cent, and net *earnings* up by e third. This year growth is expected to slow along with the econemy, and the institute says packaging grades could be affected by adverse trade trends.

● Canadian output of newsprint continned to rise in January. Production was np by 4 per cent against January 1984, et 789,000 tonnes.

Exports to the U.S. were up by 6 per cent, but exports to Wetern Europe *fell* further, with the figure of 2,200 tonnes down 44 per cent on January 1984, and 61 per cent on 1983.

Exports to Asia, however, morethan doubled and exports outside North America showed a 7 per cent gain overall.

● Swedish output of paper increased by ebout 8 per cent last year. This is likely to be the average figure for the European industry as a whole, says the Swedisb Pulp and Paper Associetion.

Panama Canal Commission considers widening scheme

BY ANDREW FISHER, SHIPPING CORRESPONDENT

THE Panama Canal Commission is studying whether increasing traffic and the transit of mere of the latest large round-the-world container ships will require e $400m (£363m) investment in a project to widen part of the canal.

The studies sbould be completed by the end of this year, said Mr Fernando Manfredo, deputy administretor of the *Canal Commission. The* widening would be done et the Gaillard Cut, an eight-mile long channel through the hills near the centre of the 50-mile canal.

The cut has already been widened from 350 to 500 feet.

A final decision will have to be taken by the *Commission*, wbich includes board members from both Panema and the U.S.

"If traffic continues its present growth, we could well face the problem of saturetion in terms of large ships by the mid-1990s," Mr Manfredo said. New ships of Evergreen Lines of Taiwan, U.S. Lines and others can take as many as 4,000 container units each.

Widening the cut would enehle two large ships to pass in opposite *directions, instead of* ene waiting in wider waters. The canal is due to be handed back by the U.S. to Panama at the end of the century. But such a large investment would not have been recovered by then, so both governments would have to egree on funding.

Mr Manfredo said the widening project weuld take at least *five years and planning would* take two years. The work would need to start before 1990, so a decision would be needed by 1987.

The canal's tolls of $1.80 (£1.60) a ton would not cover the expense. These produce revenues of some $300m a year and ere being beld until the end of the 1986 fiscal year on *September 31.*

The canal currently takes around 30 vessels a day, but can manage *42*. Widening the cut weuld raise capacity to 52, the extra being accounted for by large vessels.

Last year, some $80m was spent on modernising and maintaining the canal.

The handing back of the canal to Panama en December 31, 1999, will occur under the 1977 treaty eigned with the U.S. The *71-year-old canal was* built by the U.S.

The Commission, a U.S.-government agency operates the canal, but Panamanian influence over the waterway and its running is being gradually increased

Philips in Taiwan electronics deal

By Robert King in Taipei

PHILIPS of the Netherlands is to co-operate with Taiwan's Electronics Research and Service *Organisation (Erso) in* the development of design and prodnction capability for sophisticated integrated circuits (IC) bere.

The project will enable IC and Philips Taiwan, the Philips affiliate here "*better able to meet the specific* needs ef the Asian market," according to Philips.

Philips will invest about $2.2m (£2m) in the project. A more important component of the co-operation, however, is the "brainpower" which will be made available to the Taiwanese.

Erso will initially build up *its design capability and perform* wafer diffusion at its facilities in the Hsinchu Science Park, about an bour's drive from Taipei. Philips will test and assemble the wafers in its $100m plant in Kaohsiung.

Philips has not yet set production targets for the new chips. However, it said it plans to produce 400m units of various chips in Kaohsiung this year.

Philips Taiwan is one of the country's largest foreign-invested firms, with capital exceeding $38m. Two affiliates here had combined export sales of $101.5m in 1983, according to the Economics Ministry.

To the Shareholders of

COPENHAGEN HANDELSBANK A/S
(AKTIESELSKABET KJØBENHAVNS HANDELSBANK)

Against delivery of coupon No. 17 payment will be made of a dividend of 15% (less 30% dividend tax) for the year 1984. We draw the attention to the folder the Bank has published on the special taxation rules pertaining to shareholders who are residents of U.K. end Ireland. The folder is obtainable from N. M. Rothschild & Sons Ltd., P.O. Box 185, New Court, St. Swithin's Lane, London EC4P 4DU.

Payment will take place at the Bank's Head Office at 2 Holmens Kanal, DK-1091 Copenhagen, Denmark, or through N. M. Rothschild & Sons Ltd.

Copenhagen, 18th March 1985

COPENHAGEN HANDELSBANK A/S
(AKTIESELSKABET KJØBENHAVNS HANDELSBANK)

Colombia keeps cool about its oil windfall

By Paul Betts, recently in Colombia

"IT WAS such a good year for Colombia that even Ecopetrol found oil in 1984," quips Sr Rodolfo Segovia Salas, the former chairman of Colombia's state oil company Ecopetrol, recently appointed Public Works Minister. But like other senior officials and cabinet ministers, Sr Segovia Salas is remarkably cautious about the impact that recent Colombian oil discoveries will have on the country's economy. "Without any doubt we will become an important exporter of crude in two years' time, but we are not all about to become sheikhs."

Since Occidental Petroleum confirmed last summer it had found a major new oil field in the Colombian "llanos" or plains by the Venezuelan border, the Colombian Government has sought to tone down expectations. "They are worried because they don't want to cause another major disappointment in the country," explains M. Yves Philardeau, head of the Colombian operations of Elf Aquitaine, the French oil company with growing interests in the llanos. "Before Occidental made their discovery of Cano Limon, Exxon found a field nearby. They were hoping for about 50,000 barrels a day but the field is producing only about 4,000 b/d," says M. Philardeau.

However, both the Colombians and Occidental agree that there are about 1.4bn barrels of proven reserves in the Caño Limón field. But, Ecopetrol and Occidental differ on the recovery rate of the field. "We put the recovery rate at around 35 per cent. Dr Hammer of Occidental puts it at more than 50 per cent," says Sr Segovia Salas.

According to Colombian estimates, the Caño Limón oilfield is expected to produce about 500m barrels with an additional 100m barrels from a satellite field, Occidental says the fields will produce at least 1bn barrels. "When they talk about 1bn barrels or more, the people of Occidental may be also thinking about their stock price," comments a senior Colombian official.

The arguments over the precise amounts of proven and recoverable reserves at Caño Limón do not disguise the high hopes that Colombia is placing upon oil for its economic development and, more immediately, to help ease the country's chronic foreign exchange problems.

Apart from developing Caño Limón, plans are also well advanced for the construction of pipelines over the Andes to increase the existing oil production from other parts of the llanos and the country's huge $3.4bn coal project with Exxon at El Cerrejón in the north of the country has recently made its first shipments.

The target is for crude to start flowing from Caño Limón through a $700m pipeline to the Caribbean Sea in 14 months' time. The new field will not only enable Colombia to achieve oil self-sufficiency but also to start exporting oil in the second half of next year. "We expect to be exporting about 10,000 b/d next year, rising to around 100,000 b/d in 1987," said Sr Ivan Duque Escobar, the new Energy Minister. Caño Limón is expected to produce about 60,000 b/d next year, increasing Colombia's total oil production in 1986 to 250,000 b/d, compared with 177,300 b/d this year, according to the Energy Minister. In 1987, production from Caño Limón is likely to rise to about 160,000 b/d bringing total Colombian oil production to 345,000 b/d. Subsequently, Sr Duque Escobar explained, total production would dip to around 330,000 b/d in 1988, with output from older fields dropping or levelling off and Caño Limón continuing to produce an average of 160,000 b/d.

Sr Duque Escobar acknowledges that these are conservative figures. He said the Government's production estimate for Caño Limón is midway between the least optimistic figures of 130,000-140,000 b/d and Occidental's estimate of 200,000-230,000 b/d.

The net impact of Colombia's oil and coal exports will be to turn around the deficit of about $500m in the country's energy trade balance this year to a surplus of $500m next year. "Between them, oil and coal exports should be earning us about $1bn," estimates Sr Segovia Salas.

But two potential obstacles could delay Colombia's swift energy development timetable. The first involves security and the second the availability of large amounts of capital funds. Of the two, the possible financial constraints pose the bigger problem.

Colombia has inevitably suffered from the general problems of Latin American debt. Although it is one of the few countries to have met all its debt obligations so far, a number of international banks have asked for additional IMF guarantees before advancing fresh credits.

Colombia has agreed to make all necessary adjustments required by the banking system to secure new international credits, but it does not want the IMF to impose a programme for the country. "We prefer to do our adjustments ourselves rather than in an induced or forced way," said Sr Roberto Junguito Bonnet, the Colombian Finance Minister. "We are not asking for any balance of payments support or debt restructuring. We are looking for support for our energy export projects." Sr Junguito Bonnet added that Colombia had asked for a "relatively small" financial package including $310m for the El Cerrejon coal project, $170m for Ecopetrol to help finance oil development and pipeline projects, and a further $100m in co-financing loans with the World Bank.

Despite the uncertainties of the Latin American financial situation, Colombia appears relatively confident it will secure the necessary funds to finance its energy projects. Officials also emphasise that the $1.7bn development of Caño Limón including $700m for the pipeline and port facilities was secured for Colombia's part by supplier credits. Caño Limón is a 50-50 venture between Occidental Petroleum and Ecopetrol.

The problems of security are also a big worry for oil companies in Colombia. In the remote areas of the llanos, guerrillas and bandits can seriously disrupt operations. Unofficially, the oil companies and their contractors appear to come to arrangements with local guerrilla movements. However, the U.S. companies are especially concerned by the additional threats of the Colombian Mafia against U.S. interests and citizens following the recent U.S.-Colombian clampdown on the country's thriving narcotics business.

Recently a German engineer was kidnapped and later released by guerrillas in the llanos. He was working on the first section of the Caño Limón pipeline being built by the West German group Manesmann. Kidnapping is a Colombian speciality. Between 150-200 people kidnapped last year in Colombia are estimated to be still held by their captors.

But Sr Segovia Salas, like other Colombian officials, believes security worries are exaggerated, though he admits that "there are uncomfortable situations at times for the oil companies."

In the recent case of the kidnapped Manesmann engineer, Sr Segovia Salas said the German company appeared to have no experience of Colombia. "They thought they were laying a pipeline in the Champs Elysee. You don't go out at night in an open jeep in the llanos. I don't do it in Bogota."

Colombia's new oil windfall is unlikely to have as big an impact on the country's economy as a whole as for its neighbours Venezuela and Ecuador, where oil accounts for the bulk of the country's exports. With about 1.5bn barrels of proven reserves (including 600m barrels from Caño Limón), Colombia accounts for only 0.1 per cent of world oil reserves. Moreover, oil will account for about 20 per cent of the country's total exports and is unlikely to replace coffee as Colombia's principal export commodity. Under the circumstances, Sr Segovia Salas does not see Colombia joining Opec. "We are too small," he says.

Sr Segovia Salas suggests that the oil industry may have something to learn from the international coffee cartel. "I don't think it is improbable that producer and consumer countries will eventually find it useful to work out a mechanism similar to the coffee system to stabilise oil prices."

Bob Hutchison

COLOMBIA'S OIL BALANCE
(barrels/day)

	1985	1986	1987	1988	1989	1990
Consumption	217.1	223.1	228.3	233.6	239.1	244.6
Production	173.2	223.1	228.3	233.6	239.1	244.6
Imports	49.9	—	—	—	—	—
Exports	—	19.2	118.1	113.8	99.8	87.5
Receipts ($m)	524.5	534.0	797.0	715.5	569.7	572.0
Expenditure ($m)	934.7	502.0	304.7	278.0	253.7	308.5
Trade balance ($m)	(410.2)	32.0	492.3	439.5	316.0	263.5

Source: Ecopetrol.

Hard trek to the foothills of the Andes

THE COCKS crew all night in the lush garden of the Hotel Camoruco in Yopal, a small town at the foothills of the Andes. From here the Colombian llanos or flatlands stretch way out to the Venezuelan border. Like the cocks, the yellow jays or "turpiales" as they are known sing and whistle incessantly in the hotel garden. The birds have still to get accustomed to the growing influx of foreigners and "gringos" flowing into the until recently sleepy town.

Yopal, once a centre of cattle raisers and cowboys, has become an oil town. With the recent Occidental Petroleum discovery of Caño Limon further north in the llanos, this area of swamps and crocodiles is attracting increasing interest from the international oil community.

It is the centre of the French Elf Aquitaine oil company's exploration and production activities in Colombia. The French group, which has been in Colombia since 1972, is now planning to triple its Colombian exploration budget this year. "We spent only about U.S.$5m last year but we intend to spend on exploration about $15m this year and continue spending in the range of $15m-$20m in 1986 and 1987," said M Yves Philardeau, the head of Elf in Colombia. "For us it represents a big effort."

At present Elf and its U.S. partners including Houston Oil of Colombia (the Tenneco subsidiary which is currently the biggest oil producer in Colombia after Ecopetrol, the state company) are lifting only about 6,000 barrels a day from the Yopal area. Further down at Apiay, Ecopetrol produces a modest 5,000 b/d from another field. But between them, Elf and Ecopetrol could be producing between 30,000 and 50,000 b/d. "Our problem is that we cannot get all the oil out to the refinery," explains M Philardeau.

Ecopetrol, Elf and its partners have to send the oil by huge Mack trucks from Yopal over the Andes on a mountain track which climbs more than 3,000 metres to the large Colombian refinery of Barrancabermeja in the centre of the country. The round trip in good conditions takes five days. It takes even longer during the rainy season and when landslides block the perilous dirt track.

Moreover there are not enough lorries, operated by independent truck drivers, because Colombia has imposed stringent import restrictions as part of its economic readjustment programme and defence of its scarce foreign exchange reserves.

Elf is now banking heavily on the construction of a trans-Andean pipeline which will link its oil fields and Ecopetrol's Apiay field with the Barrancabermeja refinery. The pipeline, which will be the highest in the world, may be complete by the end of 1987 or the beginning of 1988. The project is being partly financed by the World Bank and is expected to cost between $150m and $200m. A far longer pipeline is also under construction to link the Cano Limon field to the Caribbean coast, involving investments of about $700m.

The trans-Andean pipeline will enhance the attractions of new exploration and production in the area, according to M Philardeau. "I expect oil acreage to become more expensive when the region becomes more accessible," he said. At the same time Elf has hopes of finding a big field ("50,000 or perhaps even 100,000 barrels a day," says a local Elf man) in the new prospects it will explore on the foothills on the Andes.

After years of relatively disappointing oil prospecting in the llanos, Occidental has, by drilling deeper and discovering a major field, sparked off what could become a new oil rush in the region. Yopal, so far, seems to be taking it in its stride. The big military garrison based there helps reassure the oil men worried about kidnappings, guerrillas and bandits. While business in the town has picked up considerably since the oil men came, the town has so far not altogether lost its sleazy tropical charm. There is still a big tattered sign on the road from the tiny airport, warning of the danger of yellow fever.

Technology shares get brokers' top performance rating

BY JASON CRISP

HIGH TECHNOLOGY stocks which have come to the market in the last few years have generally outperformed the market by a substantial margin, according to a report by stockbrokers Fielding, Newson-Smith.

Anyone who invested in all 43 information technology stocks which have gone public in the last three years would have made a 93 per cent gain, according to Mr James Dodd, an analyst at Fieldings.

The brokers note that the gains have been made after a number of problems with the new high-tech stocks. It says the "shake-out" was limited to some well-publicised disasters occurring chiefly among manufacturing companies on the Unlisted Securities Market (USM) such as Acorn Computers, Microvitec and Cifer.

Although some others have had profit difficulties these usually occurred after several years sustained growth. "For many stocks, profits growth and share price performance continues to be dynamic. Rumours of the sectors' ill-health are greatly exaggerated," Fieldings says.

Stocks which now have a full listing show an average gain of 229 per cent since flotation and have outperformed the FT All-share index by 130 per cent. Far fewer fully listed stocks have had problems compared to those on the USM. The successes including Applied Computer Techniques, Micro Business Systems and Systems Designers.

The USM stocks showed a gain of 25 per cent representing a performance 11 per cent less than the FT All Share index. Best performers include MMT, Consultants (C&F), Brikat, Instem and Telecomputing.

Software and service companies on both markets have shown the greatest overall success, outperforming the index by 103 per cent with an actual gain of 182 per cent. Hardware companies gained 53 per cent, outperforming the index by 13 per cent and distribution companies gained 55 per cent, only 5 per cent better than the index.

State urged to 'free cable development'

BY RAYMOND SNODDY

THE GOVERNMENT has managed to paralyse the UK communications industry almost totally by persuing contradictory policies, Mr Ronald Cohen, chairman of Alan Patricof Associates, said yesterday.

"The Government has followed up its exhortations to invest in cable with uneconomic restrictions and disincentives," he told the Financial Times Cable and Satellite Conference.

Despite all the government-imposed restrictions, the cable industry was expected to pick up the entire bill. The result had been that his company, a venture capital fund with £40m under management, had so far invested £100,000 in cable, which was much less than originally intended.

The Government should either back its policies with cash or let cable develop in the freest possible way, he said.

Mr Francis Baron, managing director W. H. Smith Cable, said the cable industry did not want to be treated like a lame duck but it needed a consistent government policy.

Cable would become an example "of the enterprise culture reborn" only if certain conditions were met. The Government should deregulate SMATV – dish aerials on blocks of flats and hotels – and direct reception of satellite signals by individuals.

It should also impose minimum controls on cable, set an equal balance of opportunity between broadcasters and the new channels and impose no special taxes when cable operators eventually break through to high profits.

Mr Ronald Beck, president of Premiere International, said the health of Premiere, the film channel, depended on the growth of new cable system and on the legalisation of SMATV (satellite master antenna television).

Premiere had already signed distribution agreements with SMATV operators which would come into operation as soon as the Government legalised reception. Premiere's long-term business plan forecast a healthy business for both programme providers and cable operators.

Mr Elco Brinkman, Dutch Culture Minister, said the high cable penetration in the Netherlands had made the country "the playground" of the new media.

The Government wanted to stimulate the new media without destroying the existing broadcasting structure. "The running of the new media will be left to industry, whereas broadcasting for the general public will remain the domain of the non-commercial broadcasting organisations," Mr Brinkman said.

Mr Jose Freches, vice-president of the Paris cable company, forecast that by the year 2000 all the major cities in the world would have broadband cable allowing people to communicate visually as well as orally. Access to new services and data banks would radically change daily existence.

FINANCIAL TIMES
Cable Television and Satellite Broadcasting
CONFERENCE

Mr Michael Storey, general manager of Westminster Cable, said there were indications that there might be significant and continuing economies of scale in both programmes and marketing as the size of cable operations increased.

The results were tentative, but at penetration levels of 33 per cent, the optimum franchise area might be as large as 450,000 homes – much larger than anything planned in the UK at present.

Mr Julian Mounter, director of programmes for Thorn EMI Cable, said Thorn had proved it was possible to make decent quality television for £1,000 an hour – a fraction of the cost of traditional broadcasting.

"It isn't Jewel In The Crown and it isn't Horizon. But it is the sort of studio-based programmes you might find being made by the current affairs, features, children's, education and religious department of a broadcasting station," Mr Mounter said.

Mr John Griffiths, chairman of British Cable Programmes, which is planning to run an arts channel for cable television said that quality programming on broadcast television was being consistently diluted by "junk".

Cable might even take over some of the public service broadcasting responsibilities of the BBC and the IBA. Cable television's commercial success would rely on an accumulation of quite separate appeals to specific minorities. There would be enough devotees willing to support an arts channel and, perhaps later, business and education channels.

Mr Richard Hooper, chief executive of British Telecom's Value Added Systems and Services, said that interactive services – those requiring two-way communication – would not lead the cable TV revolution. They would follow in the path pioneered by entertainment.

In the longer term, a package of interactive services would be developed including electronic publishing, plus electronic mail and home shopping and banking.

The challenge would be to devise a group of services at the right price attractive enough to trigger consumer enthusiasm.

Airlines shape up for European routes fight

BY MICHAEL DONNE, AEROSPACE CORRESPONDENT

A BATTLE between independent airlines and British Airways for rights to fly scheduled services on a range of air routes to continental Europe starts next week with public hearings before the Civil Aviation Authority (CAA).

The credibility of the Government's policy, announced last year, of increased competition on European air routes is et stake.

The independent airlines, including Air Europe, Britannia Airways, British Island Airways, Dan-Air and Orion Airways – part of the Horizon Travel group – are seeking various licences for scheduled services, or "seat only" rights on charter flights, to and from continental destinations.

They are being strongly resisted not only by British Airways, which flies scheduled services on many of the routes now sought, but in some cases also by each other, where more than one independent has asked for the same route.

The CAA, which must eventually decide who wins which air route, has set aside 14 days for the hearings, on various dates starting next Tuesday and running into late May, to accommodate the vast weight of evidence that is expected.

The hearings are widely regarded in the independent air transport industry as a barometer of both the Government's and the CAA's intentions of widening the scope of competition on air routes between the UK and the continent.

The fact that British Airways has filed either objections or representations against the independents' bids for routes on which it already flies is regarded as a test of the Government's willingness to adhere to the terms of its White Paper (policy document) on the future of civil aviation, published last year. This endorsed the principle of increased competition.

Most of the air routes involved in the forthcoming beariogs are to Spain and Portugal, both from Heathrow and Gatwick, but some also cover southern France (Lourdes) and Italian destinations.

Depending on how these applications fare before the CAA, the independent airline industry can be expected later this year to seek many more European air routes.

Britain admits debt on Tornado project

BY BRIDGET BLOOM, DEFENCE CORRESPONDENT

THE MINISTRY of Defence has acknowledged that Britain owes Germany £250m on the Tornado aircraft programme but has declared that it hopes the debt can be made good by a rearrangement of work on the three-nation project rather than by direct cash payment.

The debt, which has been the cause of some friction between London and Bonn, has arisen because Germany has carried out more work on the new combat aircraft than was originally planned under the complex work-sharing formula drawn up between Britain, Italy and Germany more than a decade ago.

Last month, in a report critical of the ministry's ettitude to some collaborative defence projects, the iofluential House of Commons Public Accouots Committee (PAC) said it was concerned that Britain was not getting its share of the work on the Tornado.

In a reply to the PAC, published yesterday, the Treasury said the ministry expected to repay half the debt by 1989 by doing more work io the "in service support phase" of the project, which could apparently cover anything from the purchase of spares to the mid-life refit of the aircraft.

However, the ministry has accepted that if the whole sum owed cannot be repaid in this way, Britain will be obliged to repay in cash what remains at the end of the Tornado's production phase, due in late 1989. Yesterday's statement commented "until then, the UK benefits."

Fraudulent Telecom investors may face criminal charges

BY STEFAN WAGSTYL

THE GOVERNMENT last night carried out its threat to take legal action against investors suspected of submitting fraudulent multiple applications for shares in the British Telecom flotation at the end of last year.

The Department of Trade and Industry said that it had referred the cases of "certain suspected fraudulent multiple applications" to the Director of Public Prosecutions (DPP).

It is understood to be the first time thet the DPP has been called in to consider whether to bring criminal charges against investors making multiple applications in a public flotation.

The department last night refused to say how many people were involved in the cases sent to the DPP. A spokesman said, bowever, that they concerned "the most obvious and most blatant" multiple applications.

"It is entirely up to the DPP how it proceeds and against whom," said the spokesman. Last month, the department said that 6,800 of the 2.3m public applications for the issue in November had been multiple applications.

It made clear, however, that 10 or 12 large organised groups had been identified. It seems likely that the cases now referred to the DPP concern some or all of these groups.

The Government cashed cheques worth £850,000 from the organised groups, but later returned the money. Cheques were returned uncashed to other suspect investors.

Nevertheless, last night's move may come as a surprise to many in the City of Londoo who believed that the Government would have been satisfied with punishing the identified suspects by cashing their cheques and keeping the interest earned on the money over e few weeks.

It now seems clear that, whether prosecutions are eventually brought or not, the Government means to warn off investors from submitting multiple applications in future public flotations, including the sale of its stake in British Aerospace, British Airways and the Royal Ordnance Factories.

Opposition MPs in the House of Commons claimed last December that the Government had underpriced the shares and had cost the taxpayer more than £1.25bn by selling British Telecom more cheaply than it could have done.

Pay rises outstrip rate of inflation

INCREASES in earnings are continuing to outstrip the rise in the rate of inflation, according to Government figures published yesterday although the rate at which earnings are rising continues to remain stable.

Department of Employment figures announced yesterday show that the underlying rate of increase in average earnings continues to run at 7.5 per cent, maintaining a stability which now stretches back to last July, when there was a slight fall from 7.75 per cent.

However, the actual rate of increase in earnings for January over the previous 12 months was 7 per cent, according to the department.

The figure is depressed because of the effects of the coal strike,which reduced earnings in January by a greater extent than the overtime ban 12 months before, and by delays in due pay settlements, such as that for the local authority manual workers.

Substantially higher back pay helped offset these factors and helped push the monthly rate up from 8.8 per cent in December. The department regards all these factors as temporary.

But in production and manufacturing indutries, both the underlying and actual rates of increase were higher than for the whole economy, confirming the reports of independent pay research companies of higher rises in these sectors.

In production industries, the underlying increase in the yearto January was about 8 per cent, with an actual increase, again hit by the coal strike, of 7.1 per cent.

For manufacturing, the underlying rate was about 8.5 per cent, with a high monthly rate of 9.4 per cent – tough again DE officials pointed to the impact of back pay showing through.

□ LORD SIEFF, president of Marks and Spencer, Britain's biggest retailers, since retiring as chairman last July, is to retire from the board in September this year.

Lord Sieff, 72, will by then have completed 50 years service with the company – one of only seven Marks' employees to celebrate their personal golden jubilee with the company which itself celebrated its centenary last year.

Sir Alex Jarratt is stepping down as chairman of the Reed International paper and publishing group. The new chairman, from August, will be Mr Leslie Carpenter, who has been the group's chief executive since October 1982.

□ THERMAL underwear business of Vedonis, part of the George Spencer textiles group which went into receivership earlier this year, has been rescued. Orchid, a Nottingham textile company, has purchased the business from the receiver, saving 160 jobs.

□ RANK XEROX Pension Fund is to make up to £1m available to small companies needing injections of equity under £50,000. Rank Xerox said: "It is a high risk, high growth opportunity."

Greeks impose rules on UK tour groups

BY ARTHUR SANDLES

HOTELIERS on the Greek island of Rhodes are imposing special conditions on British tour operators to the island because they are concerned about the rash of problems in the UK tour business.

The island's hotel associatioo has written to tour companies demanding two major concessions. The first is that operators should pay a deposit equal to two weeks payments of their peak-season business.

They are also threatening to invoke article 13 of the Greek hotel code which allows hotels to cut back peak-season bookings by tour companies to the levels which the companies prodaced in the off-season.

The impact of the first move on tour operator finances would be considerable, since normally payment is not made to hotels until the departure of guests.

The second move is seen as a means of staving off an almost inevitable outbreak of over-booking in Greece this year. Hotels are thought to have considerably overcommitted themselves for the summer, and are looking at ways of legally turning people away.

The British travel industry is having second thoughts about prospects of Greek tourism this year. In recent weeks the Greeks have announced their intentioo to considerably increase departure taxes and the latest fuel surcharge notifications suggest that tour customers may face imposts of £12 on each holiday to the more distant islands.

Mr Tim Tims, of Timsway Holidays, one of the leading operators to the Greek islands, said he would be seeking clarificatioo immediately from hotels. "Most of our programme is self-catering, which we pay for whether it is used or not, but as far as hotels are concerned we simply want to know whether they are taking our customers or not, and know early."

Mr Tom Allen of another Greek major, Sunmed, said negotiations would start with hoteliers although again self-catering was not affected.

Some indication of how serious the trading conditions are proving for tour operators will come with the annual renewal of Air Tour Operator Licences for half of the UK's tour companies at the end of this month (the other half renew in the autumn).

It looks as if as many as 10 per cent of the 250 operators up for renewal will either not bother or will not have their licences granted. No major companies are likely to be involved.

U.S. interest pushes wine prices higher

BY EDMUND PENNING-ROWSELL

THOUGH the dollar is down and most of the big buyers at yesterday's Sotheby's wine sale were buying on American accounts, prices of rarities and leading vintages were higher than expected.

Many of the lots came from private Belgian cellars, known for their discriminating contents. But it was from the cellar of an Oxford don that came two pre-Phylloxera rarities: single bottles of Mouton-Rotschild 1870 and Lafite 1874 that made £300 and £260 respectively.

From the same source came a Petrus rarity from the years before this now highly-esteemed Pomerol was widely known: a château-bottled 1924 made £800. A magnum of Petrus 1961, one of the most sought-after wines in the saleroom, made £1,300, with single bottles going for £600. Other prices for this château's wines included a record £3,200 for six bottles of the 1947, £1,250 for six of the 1952, a record £4,000 for a case of the 1953 and £1,800 for a dozen 1964. The rare Cheval-Blanc 1947 reached £1,350 for six bottles and three Mouton-Rothschild 1947s went for £620.

Near or near-record prices were reached for first-growth 1953 in six-bottle lots: Mouton-Rothschild (£1,150), Lafite (£950), Margaux (£800), and Haut-Brion (£600).

Other rarities included £3,000 for a case of Romanee-Conti 1953, £300 for a bottle of 1811 Napoleon Cognac and £300 and £220 for single bottles of Yquem 1906 and 1929. A curiosity was one of only four known late 17th century English revolving wine cisterns which went for £3,000.

Robots for U.S. market

BY ARTHUR SMITH

UNIMATION, the UK subsidiary of Westinghouse of the U.S., yesterday launched the first of a series of robots being developed under a £9.5m programme funded jointly with the Department of Trade and Industry (DTI) and the British Technology Group.

The company, which has previously supplied only the European market, will, for the first time, export robots to the U.S. Two thirds of the present production of 15 robots a month will go to the U.S.

Mr Chester Sadlow, chairman of Unimation, said yesterday that the PUMA 761/2 was only the first of a series of new advanced robots to be launched this year. Further investment would be made in the UK depending on the market success of the products.

Of tha £9.5m programme, Westinghouse has provided £6m. The DTI has given research grants of £1.5m, while the British Technology Group has contributed £2m on which it will receive royalties beyond an agreed level of output.

'Delaware link' tax loophole stays open

By Clive Wolman, Personal Tax Correspondent

THE GOVERNMENT is abandoning its proposals, published in November, to close a loophole exploited by multinational corporations allowing them to receive tax relief twice over on interest payments.

Under the loophole — popularly known as the Delaware link — multinationals establish companies with dual residence in the UK and another tax jurisdiction, most commonly Deleware in the U.S.

The purpose of these subsidiaries is to borrow money for the group. Interest payments on the loans create tax losses for the subsidiaries, which can be used to reduce the taxabla profits of other UK and U.S. companies in the group.

In a consultative document published in November, the Government said it was suffering tax losses of about £100m a year from this avoidance, and its proposals could affect about 100 multinational corporations.

The measures were aimed at preventing a dual resident company from passing its tax losses to other UK members of the group.

The multinationals and accountancy firms submitted objections to the proposals which appear to have persuaded the Government to think again. These were:

- Few multinationals abused the rules in this way.
- Harsher rules would discourage U.S. investment in the UK, as U.S. companies could continue to claim double relief in other European countries.
- U.S. tax authorities were to blame for any abuses, because they permitted companies to claim residence in their jurisdictions on an artificial basis. It was therefore U.S. rules that should be changed, if any.
- If the rules changed, companies would leave their debt in the UK rather than the U.S.—so the Inland Revenue would not benefit.

The Government has said it would not iotroduce legislation this year. However, the Inland Revenue would "keep the matter under close review, and if there is evidence of growing exploitation at the Exchequer's expense," anti-avoldance provisions would be reconsidered.

Dollar and North Sea oil save Lawson from tax rises

BY MAX WILKINSON, ECONOMICS CORRESPONDENT

MR NIGEL LAWSON'S Budget was generally judged to have been tight but the detailed figures published in the accompanying Red Book show that it might easily have been very much worse.

The Chancellor was saved from the need for large — and perhaps humiliating — tax increases only by the dollar and North See oil.

The Red Book (Financial Statement and Budget Report) shows that total Government including debt interest for next year (1985-86) is expected to be some £7bn higher than the estimates of a year ago. In the same period the Treasury's estimate of non-oil revenues has fallen by £1bn.

A £4bn rise in the estimate for oil revenues helped to plug the gap but it is clear that the Chancellor was looking at an entirely different picture than that presented in his last Budget when tax cuts of £2bn were pencilled in for 1985-86.

The true rise in expenditure is not quite as much as the £7bn shown in the overall expenditure figure because of accounting changes in the way that nationalised industries are expected to finance themselves. If this is allowed for, the worsening comes down to about £5bn, of which £2bn is the estimated rise in net interest payments on the national debt.

On the other side of the account about three-quarters of the £1bn fall in non-oil tax revenues represents the cost of the "give away" in Tuesday's Budget.

Mr Nigel Lawson: Displayed high degree of caution

Nevertheless the picture presented to the Chancellor must have been e dpressing on in January, when the markets were in turmoil and sterling threatened to go into free fall. A rapid rise in expenditure was dipping into a revenue bag which was being topped up almost entirely by the uncertain tribute exacted from North Sea oil.

This pressure on the spending side was probably at least as important in the Chancellor's mind as the threat to sterling, when be decided to reduce tax cuts to the minimum which would be politically acceptable.

For in spite of the considerable emphasis which he put on the costs of the miners' strike, most of his problems for 1985-86 cannot be blamed directly on the miners.

Mr Lawson's high degree of caution, which pushed next year's reserve up to £5bn, underlines his Budget speech statement: "Controlling public expenditure is one of the most difficult tasks facing any democratic government in the modern world."

In the current year mncb of the over-run in public spending certainly could be laid et the miners' door. In borrowing terms the Chancellor said it had cost £2.75bn, accounting for a large part of the expected £3.25bn over-run from the £7.25bn target announced a year ago.

But the cost in 1985-86 should be much less even though the Treasury helleves that starting up costs and wages for miners who are not yet producing coal could be up to £1bn.

There is also the continuing cost of interest payments on this year's extra borrowing at rates which are exceptionally high, partly because of the strike.

These extra interest payments reduce the room for manoeuvre oot only in the next financial year but up to the end of the decade and beyond. By 1988-89, gross interest payments are estimated at £19bn, which is £3bn more than expected a year ago and almost 13 per cent of the public expenditure planning total pencilled in for that year.

Every year in which the pnblic sector borrowing requirement over-runs its targets will tend to raise this debt interest burden in real terms for as long as the Government remains dedicated to the defeat of inflation.

As the table shows, the increased estimate for interest payments is broadly matched by the £2bn a year which has been added to the contingency reserve for programme spending. The reserve for next year has been pushed up to an enormous £5bn. By 1987-88, the reserve rises to £7bn which is as large as the whole of the borrowing requirement which the Medium Term Financial Strategy suggests for that year.

In spite of this caution, the Chancellor's plans still envisage substantial tax cuts inthe run-up to the next general election. In the three financial years up to 1988-89, the latest Red Book suggests scope for £9.5bn in tax cuts—or "fiscal adjustment"—with the first instalment of £3.5bn—equivalent to about 3p off income tax—scheduled for 1986-87.

Even though this is rather more cautious than the £11.5bn suggested in the last Red Book, there is plenty of room for scepticism. It could easily be swallowed up in higher spending, interest payments or the thousand natural shocks to which the plans are heir.

Nevertheless, it is clear thet Mr Lawson has made a serious attempt to ensure that tomorrow's jam really does exist. His projection for future oil revenues is based on very pessimistic assumptions about production and currencies.

On the other hand, his total reserve against overspending np to 1987-88 would be enough—if not used—to cut the rate of income tax to 15p. In combination with the fiscal adjustment for the period and a bit of luck he would have enough to abolish income tax altogether by the next general election. What a fantasy!

GOVERNMENT FINANCES. CHANGES SINCE LAST YEAR

	Changes from 1984 Budget projection (£bn cash)			
	1984-85	1985-86	1986-87	1987-88
Expenditure				
Planning total:				
Estimating changes	+3½	+2	+2	+2
Budget measures	—	—	+½	+½
Interest payments	+1	+2½	+2½	+2½
Other adjustments:				
Public corporations' market and overseas borrowing	−1½	+1½	—	+½
Other	—	+½	+½	+1
General Government expenditure	+2½	+7	+5½	+6½
Receipts				
North Sea tax	+2	+4	+2	+½
Other taxes	−1	−2	−1	+1
Interest and other receipts	+½	+½	+1	+1
General Government receipts	+1	+3	+2	+2½
General Government expenditure less receipts	+1½	+3½	+3½	+4
Implied cumulative fiscal adjustment	—	−2	−3	−3

A package with few surprises, says City

By Philip Stephens

CREDIBLE, but hardly imaginative. That was the City's considered judgment yesterday on Mr Nigel Lawson's Budget.

The Chancellor's decision to "play safe" with public borrowing, monetary policy and sterling gave financial markets the confidence they had been seeking after the exchange and interest rate debacle in January.

A shift to tighter control of the money supply, a substantial cut in the public sector borrowing requirement and increased emphasis on defending sterling had been the City's central demands over the past few weeks.

For his pains, Mr Lawson was rewarded yesterday with a small cut in base rates to bring the general level of borrowing costs down to 13½ per cent.

The pound, whose steep fall earlier in the year wrecked his plans for a more ambitious and expansive Budget, edged up further against most currencies though it lost some ground against a recovering dollar.

But after the promise held out by the Chancellor's first Budget in 1984, he won few accolades for what was seen as a timid approach to tax reform.

And with the prospect of relatively high interest rates remaining for the rest of this year, few were forecasting that Tuesday's measures would herald strong advances in the gilt-edged or equity markets.

Most hrokers were predicting that interest rates would come down only very gradually over the rest of this year, although some foresaw that they could be at 10 per cent by the end of 1985.

"Reforming Chancellor finds himself np a financial cul-de-sac," said De Zoete & Bevan. The broker was echoing most City analysts' reactions to the decision to rule ont taxation of pensions and any extension of VAT, and to defer reform of personal taxation.

Hoare Govett, broker, was more critical, calling the Budget "a timid affair which sets political expediency above economic logic," and it predicted an appreciable slowdown in economic growth this year.

It conceded, however, that the amendments to National Insurance contributions "did display e flash of imaginative thinking."

There was also some concern that while Mr Lawson's stringent policy stance should underpin sterling, the prospect of continuing high real interest rates might seriously damage economic recovery next year.

The judgement of Capel-Cure Myers was that Chancellor's unwillingness to defend special interest groups and overruns on public spending had severely limited his ability to give a supply side boost to the economy through bigger tax cuts.

Griveson Grant forecast that the "jobs package" announced by the Chancellor was unlikely to make any significant dent in unemployment totals, while Laing & Cruickshank said the measures might generate fewer than 100,000 new jobs.

There was, however, a welcome for Mr Lawson's ebolition of a number of stamp duties, for the amendments to capital gains tax, and for forecasts that a number of sectors of the stock market could benefit from the Budget.

The decision to shelve a further extension of VAT was good news for construction, books and children'a clohing, bringing relief to retailers like W. H. Smith, J. Menzies and Habitat Mothercare, according to broker Phillips & Drew.

Retailers as a whole should also benefit from the small net tax cuts and the bias of National Insurance contributions towards the lower paid.

A number of brokers cited British Homes Stores as a potential beneficiary of both measures, which are also expected to boost profitabiility in the hotel and catering trade.

But newspapers, merchant banks, computer companies, advertising agencies and other companies with higher-paid employees were likely to be hit by the National Insurance measures.

Against that, life insurance companies such as the Prudential and Legal & General were benefiting from the Chancellor's decision on pension funds, according to most City analysts.

Green Paper will aim to even out personal tax anomalies

BY MICHAEL PROWSE

THE GOVERNMENT has postponed an overhaul of the personal tax system until 1990 because it believes little can be done before the Inland Revenue's computerisation is complete in 1989. But a Green Paper to be published later this year will focus on the need for a new aystem of personal allowances.

The present system of personal allowances is widely regarded as anomalous. A married man's tax allowance is 1½ timess a single person's. Since a married women in paid work gets an ordinary single allowance, the total allowance of a man and wife who both earn is bigger than that of two single people. Yet if a wife works in the home, a married couple will get only 1½ single allowances.

The Green Paper will argue that everybody, male or female, married or single, should receive the same tax allowance. Where a spouse does not earn enough to make full use of the allowance, it could be transferred to his or her partner.

Under the proposed system, all married couples would have tha same total tax allowances as two working single people, regardless of whether one or both partners were in paid employment.

The reform would have to be phased in over eeveral years, the Government argues, because it would involve a significant ahift in tha burden of personal tax: single-earner couples and, to a lesser extent, single people would gain relative to two-earner couples.

However, if there were scope for overall real tax cots, the allowances of two-earner couples conld be beld steady while thresholds were raised substantially for single-earner couples and single people.

A strong argument for the new aystem is that it could alleviate the poverty trap. Many one-earner families receiving family income supplement would be taken out of tax altogether if they received the equivalent of two single tax allowances.

The Chancellor may also favour the reform because it would reduce the incentive for married women to take paid employment. Slower growth of the labour force might make cuts in unemployment possible.

A system of fully transfereble personal allowances may not satisfy everyone. It was oot the reform favoured by the majority of submissions on a 1981 Green Paper on the taxation of husband and wife.

There is general acceptance that the married man's extra allowance should be pbased out, but less agreemeot on bow the cash released should be spent. Some argue the UK should adopt a form of "mandatory independent taxation," under which everybody would get an equal tax allowance but it would not be transferable.

The reasoning is that tax should be based on the individual. Under the system favoured by the Chancellor, the basic tax unit is the married couple.

Those who prefer non-transferable allowances argue that the Government'a approacb would waste resources. The cash released by phasing out the married man's allowance, they argue, should be used to raise child benefit, belping only those families where wives cannot work because of dependent children.

Fully transferable allowances, it is argued, would represent a blanket subsidy to one-earner couples regardless of whether wives wanted to work. For example, e one-earner couple which employed a bousekeeper so that the wife did not work in the home would still benefit under the Government's scheme.

An important question is whether it is necessary to wait five years for this overbaul of personal taxation. Computerisation would make a system of transferable allowances much easier to operate but it might be possible to deviae e rough and ready reform before then.

Relief for pensions industry

BY ERIC SHORT

THE CHANCELLOR'S announcement that his Budget proposals did not affect the tax structure of pension schemes has been received with relief by the whole industry.

Tha neture of his statement has been interpreted, rightly or wrongly, as leeving pensions alone for any tax reform for at least the lifetime of this parliament.

The industry now can concentrate on the proposed reform of pension provision in the UK being undertaken by Mr Norman Fowler, the Social Services Secretary—a review to whicb Mr Lawson referred in his Budget speech.

More than a year ego, Mr Fowler announced a review of tbe whole structure of social security in the UK, including a close look at pension provision in both the state and the private sector.

Last July, he unveiled his proposals for a system of personal pensions and a few weeks ago there were strong indications that the Government was considering abolishing the State Earnings-Related Pension Scheme.

At any other time such proposals would bave been critically examined by all sections of the pensions industry and their views widely aired in pnblic. But such bas been the preoccupation with peosion taxes that all other espects have been put on the sidelines.

The industry bas commented on the personal pension proposals but little prominence was given to what will be a radical change in UK pension provision.

The industry has the opportunity to rectify this but it is likely to do nothing until the findings of the review are published after Easter. The eupboria of no tax cbange seems to bave driven other considerations out of their minds.

Even more important is the reaction of the industry to proposals to end Serps. No comment has come from the industry on these hints, despite the impact such a move would have on the whole pensions framework. The reaction has come from the Labour Party and the TUC and certin sections of the media.

The public does not know whether the industry favours ending Serps or is violently opposed. The reaction of wait and see is in stark contrast to its reaction to hints that pensions tax was to be changed. In the latter case it organised a highly vocal and successful lobby against such changes.

All auhmissions on the personal pension proposals assumed thet Serps would continue in its present form. What is the reaction of the pension industry to personal pensions if it disappears?

The industry has only a few weeks to sort out its views and let them be known to Government. It is understandable that many in the industry feel like relaxing after al ltheir efforts made in lobbying on pensions tax. But time is not on their side

However, tbe Chancellor has not finisbed with pension tax considerations. Tbere are two tax systems in operation—one for company schemes and another for the self-employed. He has to decide whether personal pensions come under company rules, self-employed rules or another set of rules.

TUC anger at dismissal proposals

By Philip Bassett, Labour Correspondent

TUC LEADERS yesterday decided to protest to Mr Tom King, Employment Secretary, about the Government's proposed cbanges in unfair dismissal provisions and in the role of wages councils.

Mr King is to publish, probably today, a consultative Green Paper on the future of wages councils — whicb set minimum pay rates for about 2.75m workers — inclnding considering their abolition.

In addition, the Chancellor announced that the qualifying period of employment necessary before statutory provisions against unfair dismissal come into effect is to be increased from one year to two, for all companies.

The TUC's employment policy committee decided yesterday to write to Mr King to express its "grave concern" about the moves, which Mr Norman Willis, TUC general secretary, described as "dangerous and wrong-headed," depriving millions of workers of their "modest" protection in this area.

Mr Willis said: "There is no evidence, only prejudice, bebiod this move. Pushing wage levels even further below the poverty line will do nothing to cut the dole queues."

Disagreement over prospect for jobs

BY RICHARD EVANS

REACTIONS TO the Budget concentrated yesterday on the likely impact on employment as the full implications of the Chancelor's statement became clearer

Predictably, while the Confederation of British Industry, the Institute of Directors and the British Institute of Management praised the attempts to boost jobs, the trade unions criticised the provisions as totally inadequte.

Mr Norman Willis, TUC general secretary, commented: "To call this a Bndget for jobs is a poor joke in bad taste." He described it as lecklustre, lacking in bonesty and compassion and lacking any genuine measure to create jobs.

He believed the Budget would do nothing to belp Britain compete in the world of the 1980s as the Chancellor had totally ignored the widespread demands for a major programme of public spending to rebuild Britain. It was "a step back into the 19th century."

Mr Rodney Bickerstaffe, general secretary of the National Union of Public Employees and a leading campaigner for the lower paid, said: "The Chancellor is fiddling around the fringes of taxation while the economy burns."

He thought the proposed cuts in National Insurance contribntions would lead to a new cluster of poverty traps at each earnings level where the rate changed.

The IoD argued that that Chancellor had "skilfully squeezed from limited resources" a wide range of valuable employment and enterprise measures which would boost jobs and training opportunities.

The IoD particularly welcomed the specific proposals to boost jobs such ast he reduction in National Insurance contributions to the self employed, the hint that wages councils may be abolisbed, the expansion of the Youth Training Scheme and the commuity programme and the abolition of Development Land Tax.

Norman Willis: Budget lacking in compassion

Mr Roy Close, director general of the BIM which represents more than 76,000 managers, commented: 'Limited resources have been used wisely with some useful measures, particularly to produce a beter qualified workforce through the expansion of the Youth Training Scheme and through the encouragement of small businesses."

Mr Bryan Nicholson, chairman of the Manpower Services Commission, said the expanded Youth Training Scheme would se young people entering the labour market better qualified for full-time jobs.

Sir Terence Beckett, director general of the CBI, wrote to the Chancellor yesterday to thank him for his Budget comments on pensions. It had been exactly the response the CBI had wanted to its "hands off people's pensions" campaign.

Sir Terence wrote that rumours of possible tax changes had been very detrimental to the development of private occupational pension schemes. "Your statement has ensured that such rumours do not reappear in advance of future Budgets

VAT ruling for foreign advertisers

By Sue Cameron

THE TREASURY announced yesterday that overseas companies advertising in the British press would not have to pay the 15 per cent value added tax imposed on newspaper and magazine advertisements in the Budget.

The Treasury edded that all companies advertising in magazines or newspapers printed in Britain but wholly distributed abroad would also escape the tax.

Both groups of advertisers would be covered by the provisioos on international services in the Value Added Tax Act of 1983. They would therefore be zero rated for VAT purposes in the UK.

Tbe Chancellor's decision to extend 15 per cent VAT to all press advertising came in for further criticism yesterday. Initial bostility had been tempered by relief at the Government's decision not to put VAT on the cover pricea of newspapers, magazines and books.

But yesterday the Advertising Association claimed the imposition of VAT on press and magazine advertising—advertisers in other media are already paying it—would have "serious consequences forthe diversity of the press and for the economy overall."

The association, which said that press advertising accounted for 60 per cent of total advertising expenditure in 1984, claimed advertising was "one of the essential lubricants of a marketled economy." The Chancellor's VAT decision—which comes into force in May—would pusb np advertising rates and lead to a reduction in the number of ads published.

Classified advertisers and those in the financial sector will be the only ones seriously affected by the extension of VAT. Others will be able to reclaim the tax they have paid. But the Advertising Association warned that the financial sector would not increase its total advertising spending to compensate for the tax, and newspapers and magazines would therefore lose revenue.

The association said small businesses would bave to bear VAT on print advertising as a direct cost, since they are not registered for VAT because their turnover is too small. They cannot, therefore, reclaim the tax on goods and services they buy.

"The local press is the main medium for these small businesses to advertise their goods and services," thte association said.

The Treasury estimetes that some 32,500 people will be able to ask for their VAT registration to be cancelled as a result of the increase in the registration threshold from £17,700 a year to £19,500.

NI change complicates tax plans

BY ERIC SHORT

COMPANY PENSION scheme arrangements, particularly executive schemes, have been an important tool in tax planning for both employees and employers.

The introduction of a new contribution rating structure for National Insurance, with its graduated scale for the lower paid and the removal of the upper ceiling on employers' contributions adds a new dimension to the planning.

The proposed changes have the same effect on higher paid employees wbether contracted-in or -out of the state earnings-related scheme. So there is no change in the considerations facing employers on whether to contract out.

The new dimension appears with employers deciding how to apportion pension costs between the employee and the company. The NI liability computation is based on the employee's earnings before payment by the employee of any pension contribution but exclndes benefits in kind, including pension contributions made by employers.

Pension benefits are based on the employee's gross earnings. The usual ploy, with executive pension schemes, was to increase the employee'a earnings. The employee would then restore the balance by making the maximum 15 per cent contribution to the pension scheme.

Under the proposed system this salary increase would result in a higber NI payment by the employer, but not the employee. So employees may accept lower salary increases in the expectation of a higber pension through the pension scbeme funded by the employer.

The changes come into force at the beginning of October.

NATIONAL INSURANCE—EMPLOYER'S FULL-YEAR CONTRIBUTION*

Annual salary £	Not contracted out New £	Not contracted out Old £	Not contracted out Increase £	Contracted out New £	Contracted out Old £	Contracted out Increase £
30,000	3,135	1,440	1,695	2,645	950	1,695
50,000	5,225	1,440	3,785	4,735	950	3,785
75,000	7,838	1,440	6,398	7,348	950	6,398
100,000	10,450	1,440	9,010	9,960	950	9,010

* The calculations are approximate. In practice calculations are based on weekly or monthly tables.

Trippier backs BES decision

MR DAVID TRIPPIER, minister with special responsibility for small companies, yesterday supported Mr Nigel Lawson's Budget decision to exclude property developers from the Business Expansion Scheme.

Speaking at the launch of a small business investment portfolio by Rank Xerox Pension Fund, Mr Trippier said: "I am very glad that the Chancellor has outlawed property developers from the BES. The last thing that we wanted to see was an abuse of this particular scheme."

London body 'disappointed'

THE LONDON Chamber of Commerce and Industry expressed disappointment that the Budget contained no provision for capital investment in London's infrastructure.

In its budget submission to the Chancellor in January, the Chamber bad argued for the maximum use to be made of the available scope for economic expansion within the Government's medium term financial strategy. It wanted increases in spending on capital projects to improve transport fecilities and rednce transport costs in the capital.

No "serious" provisions hed been made in this area, the Chamber said, in spite of the "extra efficiency and employment" sucb measures would have brought.

Sinclair concerned over extra cost of taking on highly paid staff

CHANGES in National Insurance may make it more expensive for companies to take on highly-paid staff, according to Sir Clive Sinclair, chairman of Sinclair Research.

He is concerned at the Chancellor's decision to abolish the upper limit on National Insurance contributions paid by employers. From October, employers with staff earning more than £265 a week (£13,780 a year) will have to pay 10.45 per cent on all their earnings.

In the computer industry, where high skills and high salaries ere the norm, this is bound to have an impact, Sir Clive said.

The CBI said that some of its members, particularly in high valued added sectors and highly skilled areas, may be quite badly affected. However, it expected the changes overall to marginelly benefit companies. "We will consider amendments to the Finance Bill if necessary."

One computer company which bas already studied the figures is Lotus Developments, a U.S.-based software bouse which has recently set up operations in Windsor, Berks, employing 76.

Lotus is just the sort of company which the Government presumably wishes to attract. Set up two years ago with eight people it recorded $157m (£138m) turnover and $38m net profits in its second year of trading and now employs 750 people worldwide. The average salary at Windsor is more than £20,000.

Mr Irfan Salim, director of European operations, said the increase in National Insurance contributions, would cost Lotus in the UK an extra £60,000 this year. "It's not going to affect us as much as the sterling-dollar rate, but for a high-tech company it is a pain."

For the really big companies, such as ICI or GEC, the changes do not eppear to create the same worries. ICI fsces an extra bill of £4.5m, something which its £1bn prex-tax profits this year will presumably swallow with ease.

Nor does ICI believe that the NI increase will damage recruitment. "If we need to hire someone at a bigh salary, we will,"

Willis Faber, the London insurance broker, which yesterday reported pre-tax profits of £47m, employs traditionally highly paid staff. It calculated the changes would cost £750,000 pre-tax.

The realy big companies will clearly find it easier to ebsorb the extra costs of hiring top skills. The Institute of Directors said it was the smaller companies, in financial services, high technology industries and the skilled service sector which were more likely to be hit.

It welcomes the changes et the bottom end of the scale, where the Chancellor wants to make it easler for companies to take on young people and unskilled labour, but it intends to lobby hard for phased increases et the top end.

The big question is whether this "payrol tax on talent," as its critics have already dubbed it, will lead to more sophisticated tax avoldance among companies employing top wage earners.

Perks such as company cars already fall within the Inland Revenue's remit, but not within the National Insurance liability.

Pym demands change in economic strategy

BY IVOR OWEN

MAJOR CHANGES in the Government's economic strategy so that the "bogeyman" of borrowing is not allowed to stand in the way of effective measures to reduce unemployment were demanded by Mr Francis Pym, former Foreign Secretary, when the Budget debate was resumed in the Commons last night.

In another penetrating speech from the Tory backbenches, he acknowledged that there was nothing in the Budget to which exception could sensibly be taken. He argued, however, that it was far too restrictive because the Chancellor was operating within a straitjacket of his own choosing.

To cheers from the Opposition benches and to the obvious discomfiture of ministers on the government front bench, Mr Pym insisted: "We ought to be questioning why he bound himself up in this way in the first place."

"It is this straitjacket which makes it impossible for him to produce a real Budget for jobs."

Mr Pym's criticism was made all the more unpalatable for ministers because it endorsed many of the views expressed by Mr Roy Hattersley, Labour's deputy leader and shadow Chancellor, who maintained that the Budget should have contained a £5bn jobs package.

Mr Hattersley contended that £2.5bn should have been added to the Public Sector Borrowing Requirement to finance a capital investment programme to restore Britain's crumbling infrastructure, and a further £2.5bn should have been provided for direct job-creation designed to reduce unemployment by over 200,000 this year.

Mr Pym challenged the whole basis of the Government's economic policy, and called for the Medium Term Financial Strategy to be rewritten to permit a larger Public Sector Borrowing Requirement and action to stimulate demand.

He stressed that on the basis of present policies, he could see no signs that the number of people out of work would fall appreciably for some years to come.

Mr Roy Hattersley: Restore Britain's crumbling infrastructure; Mr Francis Pym: Budget was far too restrictive

Mr Pym said many MPs found it inconceivable that such an unacceptable situation should not influence substantially the objectives and strategy of the Government.

He called for the adoption of a revised strategy which would provide the opportunity for sustained growth in output, increased competitiveness in British industry, and the creation of more jobs both immediately and in the long term.

Mr Pym also advocated higher public investment, measures to provide an incentive for more investment in the private sector, the creation of a major regional aid and development programme and a more considered attitude towards the sterling exchange rate.

One area in which he was in agreement with the Chancellor was that the objectives of reducing inflation and reducing unemployment need not clash. But he pointed out that the control of inflation achieved under present policies had been accompanied by an inexorable rise in unemployment.

He insisted that the time had come to look for changes in policy, and said: "There seems little advantage in reshuffling a pack which, so far at any rate, has failed to produce any aces." Amid further cheers from Opposition MPs he declared: "The real criticism of the Budget and of the Government's economic policy in general is not that it is wrong, but that it is not adequate for the problems we face and the tasks in hand."

He accused the Chancellor of mismanaging the sterling crisis in January, through a combination of "bluster and indecision" with the result that the pound had fallen to a lower value against the dollar than it needed to have done.

Mr Hattersley argued that the Chancellor refused to admit that it had an exchange rate target because to do so would amount to an admission that the Medium-term Financial Strategy had collapsed.

Mr Nigel Lawson, Chancellor, intervened to declare: "There is no exchange rate target."

He challenged the shadow Chancellor to say, if he believed that there should be such a target, what his preferred exchange rate for the pound would be.

Mr Hattersley retorted: "I do not believe that the possession of a target is the same as the announcement of a target."

Mr Hattersley maintained that, despite the Chancellor's claim to have introduced a "budget for jobs," the reality was the the Government had once more chosen the high unemployment option.

Left group optimistic on aftermath of pit strike

By Margaret van Hattem, Political Correspondent

THE MINERS' strike, while exposing weaknesses in the Labour Party machine, revitalised much of the party and has opened the way for more successful campaigning in the future.

That is the optimistic conclusion of a discussion paper published yesterday by the Labour Co-ordinating Committee, a left-wing pressure group.

The paper, while sharply critical of the leadership of both the party and the National Union of Mineworkers, insists that the NUM called a halt to the headlong retreat of the union movement and "gave a more positive and principled socialist lead than anyone else in the trade union movement had done for a long time."

If the party can avoid "the luxury of a period of internal recrimination," it adds, lessons in campaigning learnt from the strike and links within the Labour movement forged during it will be invaluable in fighting the next general election.

Among its many criticisms of the conduct of the dispute, the LCC includes:

- Labour's unpreparedness, despite signals that the Government was making long-term dispositions for a confrontation well in advance.
- The NUM's failure to hold a ballot, which it calls "bad tactics and bad politics" sustained by "bogus argument."
- Violence by miners, particularly against the homes and property of other miners, and the refusal by Mr Arthur Scargill, the NUM president, to condemn it.
- The development of a personality cult around Mr Scargill, and his exaggerated claims "repeated ad nauseam" about coal stocks.
- The Labour leadership's attempts to stay apart from the daily work of the dispute, which allowed the Government to set the agenda and keep Labour on the defensive.
- The inability of Labour's national executive committee at party headquarters to do more than pass resolutions and its inability to produce more than one leaflet. This, it comments, "reflects the inability of the party machine to switch to campaigning."

Against this, the LCC points to the NUM's success in involving in the strike many thousands, both in the Labour movement and among the public generally, building links between mining communities and many other groups, nationally and internationally.

"They frequently drew in people who had not been active before," it says. "Many local Labour parties galvanised themselves into action in a very new way."

The strike, it concludes, has opened up new possibilities for Labour. It has shown that centrist politics and the "new realism" advocated by some trade union leaders "are not adequate weapons to take on Thatcherism."

The strike, it says, shows the impossibility of separating extra-parliamentary from parliamentary struggles. "To effect change inside parliament, the Labour movement must begin to think strategically, to anticipate and plan."

Controls on top civil servants rejected

BY SUE CAMERON

THE GOVERNMENT has flatly rejected all the main demands of a Commons committee for tighter controls on top civil servants who take up jobs in the private sector.

Details of the Government's decision were given in a White Paper published yesterday. The White Paper has been released just as the Government is in the middle of a row over Civil Service appointments at the Ministry of Defence.

Last December, Mr Peter Levene, former chairman of United Scientific Holdings, was given a top MoD post. At the same time, it was announced that Sir Frank Cooper, former Permanent Secretary at MoD, was to take over Mr Levene's job as head of United Scientific. Yesterday's White paper could add fuel to the flames at the MoD.

The White Paper is a response to a report published last September by the Commons Treasury and Civil Service Committee. The report, which highlighted the increased number of MoD officials who were taking up private sector jobs in "departmentally-related industries," made a number of recommendations for tightening up the rules governing civil servants who take up outside appointments.

The committe admitted that it had found no evidence of corruption among civil servants who moved to the private sector—such as officials favouring a particular company in the hope that it would offer them jobs when they left Whitehall. Nonetheless, the committee called for a number of changes such as drawing up a new code of conduct for officials moving into the private sector, forcing them to agree in writing to abide by it, abating the Civil Service pensions of anyone who flouted the rules, and increasing the period that civil servants may be asked to wait before taking up outside jobs from two years to five.

But the White Paper says a firm no to all these recommendations. It stresses the fact that the committee found no evidence of impropriety and adds that the "Government does not find this surprising, given the high standards of integrity in the public service."

Any increase in the period civil servants could be made to wait before taking up outside jobs would inhibit movement between the public and private sectors. The Government was keen to encourage such movement. An increase would also be unfair to individuals, and would be unjustified given the lack of evidence of impropriety.

Last night, a Whitehall press release was at pains to stress that the Government's response to the committee's report "should not be seen as being a negative one." It added that "indeed, the majority of the committee's recommendations have been accepted in full or in part."

But perusal of the White Paper shows that the Government has only accepted those recommendations which call for the status quo to be maintained or which amount to only minor administrative changes — such as a suggestion that the Management and Personnel Office should review and report periodically on the workings of the present system.

Acceptance of Outside Appointments by Crown Servants; Cmd 9465; SO; £2.70.

Lawson leaves door open for some radical changes

Peter Riddell on the Chancellor's options

THE BUDGET has left open the central political question about the Government's strategy—whether it remains as radical in practice as the rhetoric of Mrs Thatcher and her allies.

Sceptics have argued that the Budget clearly confirms the end of the radical phase and the dominance of consolidation.

Admittedly, the combination of rising public expenditure (only partly explained by the miners' strike), the turbulence in financial markets, the influence of Conservative backbenchers and lobbying (notably against taxing pensions and any major extension of VAT) and the Prime Minister's own beliefs, or prejudices (against changing mortgage tax relief) all severely limited the Chancellor's room for radical action.

Mr Lawson conceded that he was boxed in, and made no secret of his irritation with the blocking pressures against taxing pensions. He noted that the very strong feelings on the issue might not be seen as the sign of a dynamic society.

Moreover, he went further on his own by apparently ruling out any taxation of pension funds and any further extension of VAT (with the important exception of those cases made necessary by the EEC, such as new construction) before the next election.

Yet not only did Mr Lawson announce some significant changes within his narrow margin—such as the National Insurance restructuring and the abolition of development land tax, but several more radical options remain open.

In many respects, the Budget appeared to be only part of what Mr Lawson might have liked to announce. Tuesday's measures can be seen as only the first instalment of a series of announcements to simplify the tax system and to boost the supply side of the economy now being considered in an unusually extensive exercise in Whitehall co-operation.

For instance, both Lord Young of Graffham, the Minister without Portfolio, and Mr Tom King, the Employment Secretary, had a major input into large sections of the Budget.

Looking ahead, there are several possibilities for further action. First, there is the Green Paper on personal taxation expected this autumn with the promise of legislation in 1987.

Secondly, the disagreement between the Treasury and the Department of Employment over the future of wages councils, on which a consultative paper is expected later today, will have to be resolved by the summer recess.

Mr Lawson made it plain that he favours outright abolition of the councils, while Mr King prefers their radical reform, probably via a reduction in numbers and the exclusion of young people and small companies.

The decision is regarded by some of the strongest supporters of Mr Lawson's strategy as the touchstone of the Government's commitment to removing restrictions in the labour market and helping the supply side. Legislation will probably be required in the next session.

Thirdly, there will be an enterprise package concentrating on measures to stimulate the growth of small companies and removing official regulations currently affecting them. These proposals will be based on the work of a ministerial committee chaired by Lord Young.

The most significant test of the Government's radicalism will concern the social security reviews conducted by Mr Norman Fowler, the Social Services Secretary. A Cabinet committee chaired by the Prime Minister has been meeting for five weeks on the issue and an announcement is expected by early May.

The Treasury is pressing for substantial expenditure savings, while the Department of Health and Social Security favours a redistribution of existing benefits.

The signs are that there will be a major restructuring of supplementary benefit (eliminating many special benefits) and of housing benefit.

The pressure to abolish the state earnings related pension was one reason why Mr Lawson decided against taxing private sector pension funds.

Behind these decisions lies the Treasury's battle to control public spending. The need to move to a more realistic planning figure after recent overspending was reflected in the £2bn addition to the reserve for future years.

However, as Mr Peter Rees, the Chief Secretary, noted yesterday, this does not represent a "soft option." His warning on the need for "consistent restraint" means a very tough public spending review this summer and autumn, which will also be crucial to Mr Rees's own survival in his present post after criticisms of his performance in Whitehall and at Westminster.

Spending restraint is also necessary if the fiscal adjustment (tax cuts) is not to be eroded in future years as it has been in this Budget. The Treasury is confident that it has been genuinely cautious this time.

However, the Government will have to be radical, rather than consolidatory, in its approach to public spending programmes if it is to fulfil the hopes of sizeable 1986 and 1987 Budget tax cuts, on which other ministers and Tory backbenchers are counting.

Some sceptics remain worried about spending control and about whether North Sea oil revenues will be as buoyant as in the past.

Similarly, on Mr Lawson's own terms, a radical approach must be maintained on the supply side if jobs are to be created and the growth in unemployment halted before the next election.

Most Tory MPs welcomed the detailed measures in Tuesday's Budget, but many on all wings of the party felt that, in different ways, Mr Lawson had not been bold enough. This explains why, in the words of Mr Francis Pym in the Commons yesterday, the response to the Budget has been "more of muted welcome than positive enthusiasm."

The advocates of additional public capital investment may be a minority on the Tory back benches at present, though they could gain support if unemployment continues to rise. Mr Roy Hattersley, the shadow Chancellor, has struck a chord in pointing to the growing, if at times vague, consensus in favour of such action, embracing the CBI, all the Opposition parties and the Tory dissidents.

However, there is no sign of a shift in strategy so far. Indeed, Mr Lawson and his colleagues regard Tuesday's Budget as similar to the 1981 one in reaffirming the existing approach of fiscal and monetary restraint in the face of considerable difficulties, and of thus creating opportunities for later tax cuts, as in 1982 and 1983.

Accountants 'to play more prominent role' in future

BY ROBIN PAULEY

MR TONY WILSON, Head of the Government Accounting Service, made his first appearance before a Commons select committee yesterday and warned spending department that accountants were going to have to play a much more prominent role in future.

Mr Wilson, a former partner at Price Waterhouse, was Britain's highest paid civil servant at £75,000 a year when he took up the job last October, although that figure has since been exceeded.

He is based within the Treasury and has as his chiefs Sir Peter Middleton, Treasury permanent secretary, and Sir Robert Armstrong, Cabinet Secretary and head of the home Civil Service.

Mr Wilson is responsible for matters such as accountants' pay which could run counter to the Treasury's policy.

"I have already told Sir Peter Middleton that I shall then act as Head of the Government Accountancy Service and not as a Treasury mandarin," he told a sub-committee of the Commons Treasury and Civil Service Committee.

Mr Wilson is leading a scrutiny team into the accounting procedures and practices in the Department of Health and Social Security, Defence Ministry, Employment Department, Home Office, Customs and Excise, Department of Trade and Industry and the Manpower Services Commission. Its interim report would be made before the summer recess.

He had been surprised at how high standards were in some areas of government accounting, but there were problems in some of the large programmes in the big spending departments.

"Their accounting procedures are probably out of line with the private sector where the impact of computerisation has been much more dramatic," he said.

Mr Wilson was optimistic that the small number of accountants in the Civil Service could be doubled to 1,400 by the target date of 1992. "The biggest barrier has been the state of morale in the Government Accounting Service, partly due to pay and partly due to the way people see their careers developing," he said.

He intended to make the service attractive to bright young people by making it clear that there was a career for bright people all the way up to the top. "Part of my job is to convince government departments that they need more financial literacy and expertise in their teams."

'Go-between' will try to break Ulster stalemate

BY OUR BELFAST CORRESPONDENT

MR CHRIS PATTEN, the minister with responsibility for Northern Ireland's local councils, environment, and health and social services, has been appointed "go-between" in an attempt to break the province's party political stalemate.

The appointment follows an announcement by Mr Douglas Hurd, Ulster Secretary, two weeks ago.

Since the Stormont Assembly began in November 1983, the Social Democratic Labour Party and Sinn Fein have boycotted the sessions. The DUP, the Official Unionists, and the Alliance Party have continued to work the assembly.

Mr Patten yesterday rejected any suggestion that his role would be that of a shuttle diplomat.

He said he would be making arrangements to meet the parties in the next few days, talk to them, listen and keep the Secretary of State informed.

It was understood Mr Patten's role should not be regarded as a new initiative. Overall policy remains unchanged in Northern Ireland with the search continuing for devolved government acceptable to both the province's communities.

Mr John Hume, SDLP leader, said his party would co-operate fully with Mr Patten. He stressed, however, that the SDLP did not need intermediaries in its contacts with other political parties.

Mr Hume said: "We have given our terms for such talks, which must clearly address the problem. The only question, therefore, is whether there has been any change on the part of Unionist politicians. Are they prepared to take part responsibly in meaningful talks?"

Support for Star Wars attacked

BY KEVIN BROWN

SIR GEOFFREY HOWE, the Foreign Secretary, faced renewed criticism in the Commons yesterday of British support for President Reagan's strategic defence initiative.

Mr Denis Healey, the shadow Foreign Secretary, urged the Government to make a ban or moratorium on testing and development of "Star Wars" weapons the main objective of British policy.

Mr David Heathcoat-Amory (Con, Wells) told Sir Geoffrey: "If SDI does not work it will be a gigantic waste of money, and if it does it will simply encourage the development of alternative nuclear weapons systems to which Britain and the rest of Europe are vulnerable."

Sir Geoffrey said the U.S. initiative was a response to extensive research into SDI weapons in the Soviet Union. However, deployment would be a matter for negotiation.

Sir Geoffrey insisted that the aim of the U.S. and the West was not to achieve superiority over the USSR but to maintain a balance, taking into account developments in the Soviet Union.

The Star Wars programme was backed by several Conservative backbenchers, including Sir Peter Blaker (Blackpool South) a former Foreign Office Minister of State, who said it was right for Britain to give support since the Soviet Union was known to be engaged in similar research.

Another Conservative, Mr Ian Lloyd (Havant), said the defence of the free world had depended for four decades on the capacity of the West to maintain superior defence technology.

Common frog under scrutiny

THE GOVERNMENT is monitoring the trade in frogs to ensure traders do not deplete their numbers.

The problem of the vanishing amphibians was raised by Mr David Penhaligon (Lib MP, Truro) whose constituents believe they have noticed a decline in the number of frogs.

In a Commons written reply, Mr William Waldegrave, junior Environment Minister, doubted that traders were to blame for the reduction.

Shipowners seek 30% saving in port costs

BY RICHARD EVANS

A SAVING in overall port costs of around 30 per cent is being sought by the General Council of British Shipping if proposed changes in marine pilotage take place.

Savings would be particularly high at major ports like London — including Tilbury — Liverpool and Bristol, Mr F. M. Everard, chairman of the GCBS pilotage policy committee, told the Commons Transport Committee yesterday.

"We have got to get a reduction in the costs of pilotage and also in the amount of compulsory pilotage," he said, suggesting that 30 to 40 per cent was a reasonable target.

Another witness, Mr W. E. Kirkbride of Furness Withy, said that pilotage costs at Tilbury for a 30,000 tonne ship were £4,600 compared with £1,300 at Le Havre.

The select committee is investigating proposals to alter methods of marine pilotage which would involve redundancies of around 500 pilots.

Labour confronts Howe on statement by MEP

BY KEVIN BROWN

LABOUR MPs seized gratefully in the Commons yesterday on a reported admission by a leading Conservative MEP that reform of the EEC Budget and the Common Agricultural Policy was impossible.

Mr John Maxton (Lab, Glasgow Cathcart), was the first to try to use the suggestion as a weapon to embarrass the Government, which has always insisted that reform of the EEC is a major goal of British policy.

Mr Maxton asked Sir Geoffrey Howe, Foreign Secretary, whether he agreed with the suggestion by Mr Curry, MEP for North-east Essex, that "we should forget reform of the CAP because it is impossible."

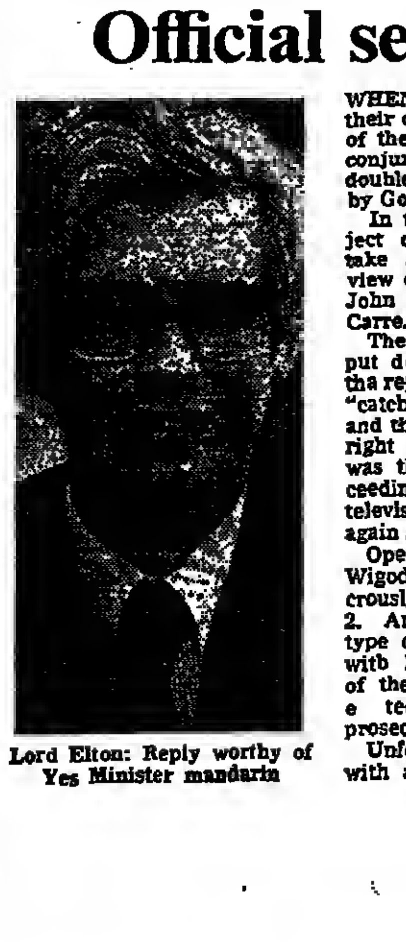
Later, Mr George Foulkes, a front bench Labour spokesman on the EEC, linked Mr Curry's remarks with the appointment of Mr Adam Fergusson, a former MEP, as special adviser to Mr Malcolm Rifkind, the Foreign Office Minister of State.

Mr Foulkes said Mr Fergusson had been appointed to liaise between the Foreign Office and MEPs "to try to stop honest men like Mr Curry blurting out embarrassing truths."

Sir Geoffrey said the views attributed to Mr Curry by Labour MPs represented "such a conclusively futile conclusion, that I do not believe it represents the entirety of the wisdom uttered by Mr Curry."

PARLIAMENTARY SKETCH

Official secrets riposte leaves their Lordships out in the cold



Lord Elton: Reply worthy of Yes Minister mandarin

WHEN LABOUR MPs indulge their current frenzy over abuses of the Official Secrets Act they conjure up a seedy world of double agents and sordid deals by Government ministers.

In the Lords, where the subject came up yesterday, they take a rather more elevated view of security matters—more John Buchan than John le Carre.

The Liberal-SDP Alliance had put down a motion calling for the repeal of the much criticised "catch-all" Section 2 of the Act and the introduction of a public right to official information. It was the second time the proceedings of the House had been televised live, and the cameras again attracted a big attendance.

Opening for the Liberals, Lord Wigoder emphasised the ludicrously wide scope of Section 2. Anyone who disclosed what type of biscuit a minister has with his coffee or the colour of the carpet in his office ran a technical risk of being prosecuted.

Unfortunately, he had to start with an apology on behalf of his party. It was, after all, a Liberal Government that introduced the Act in 1911. However, modern Conservative and Labour Governments had even more on their consciences.

Neither pledge had been kept.

In a bland reply for the Government, Lord Elton Minister of State at the Home Office, read out a Civil Service brief, which might well have been drafted by Sir Humphrey in the TV series "Yes Minister."

True, he said, the subject was of great importance and attracted much public interest. But finding a solution was far from easy.

He announced that the Government would not be opposing the motion, a gesture which was not as magnanimous as it sounded. Had the notion been put to a vote, it would probably have been approved—much to the embarrassment of the Government.

There followed a classic example of Whitehallese from Lord Elton.

"We are not striking a simple balance between the interests of the individual on the one hand, and the interest of the state on the other. Those interests are bound up together."

He finally lowered the axe when he said the Government was open to ideas. "But any proposal to give a statutory right to access to Government information is unacceptable to us in principle."

Listening intently to all this were the Earl of Stockton, the former Conservative premier Harold Macmillan, and Labour's centenarian Lord Shinwell. But the most scathing attack on Section 2 was left to that other *enfant terrible*, 86-year-old Lord Denning, former Master of the Rolls.

He applauded the acquittal of Mr Clive Ponting on Official Secrets Act charges, and likened it to the case 200 years ago when a jury acquitted Junius of the London Evening Post of seditious libel of the Monarch.

Conservative peer Lord Maude, former Conservative minister for co-ordinating Government information, favoured a strict code forcing ministers to reveal certain information, but was opposed to any public right to know.

He advanced the rather curious argument that editors, by publishing documents they knew had been obtained by theft or breach of confidence, were only encouraging Governments to be more secretive than ever.

There was an apt reminder from the Labour spokesman Lord Elwyn-Jones who recalled the case of that great champion of freedom, Thomas Jefferson, who said that he would choose newspapers without a Government rather than Government without newspapers.

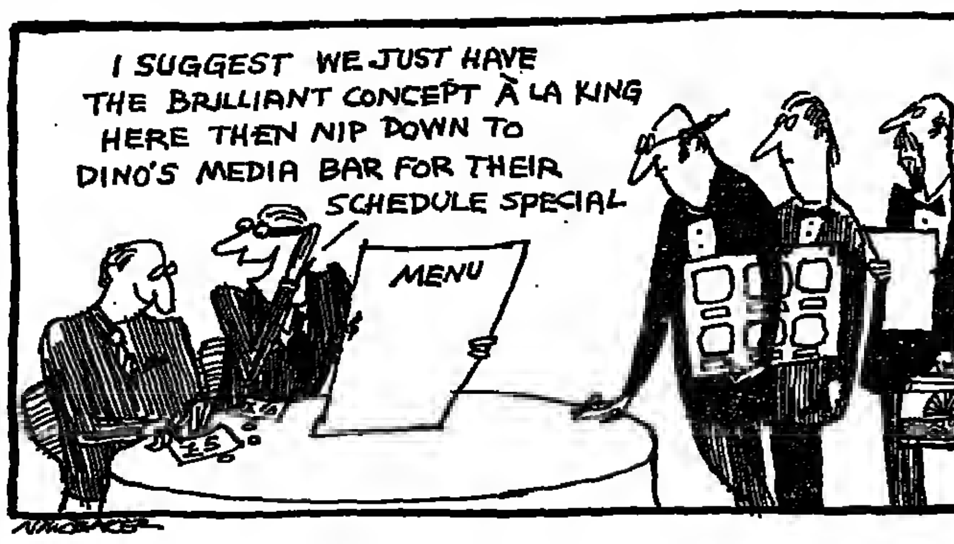
However, once in power, Jefferson was quickly writing memos suggesting that a few prosecutions for seditious libel might have a wholesome effect on journalists who were critical of the fledgling American Government.

John Hunt

Lord Denning: Praise for jury in Ponting trial

THE MANAGEMENT PAGE: Marketing and Advertising

EDITED BY CHRISTOPHER LORENZ



Horses for courses

Feona McEwan 'xplains why full service agencies are xperiencing growing ompetition from pecialist independents

MENUS are changing for advertisers, as all those with an appetite will have noticed. Once the only "respectable" route to buying advertising services was the *table d'hote* way — a full service agency, 15 per cent commission, with the full raft of ancillary marketing skills that come with it, whether the client needed them or not.

But this cosy system is increasingly coming under fire. As the *a la carte* system continues to gain ground, clients can pick and choose individual services when and where they want them — often on a more economical fee-paying basis, paying specifically for what they want.

It's clients' lib. Under pressure from spiralling advertising costs, advertisers are now forced, some for the first time, to examine the small print of their hudgets — to get to grips with the mysteries of media, for a start, a subject frequently hypassed through ignorance or disinterest. Consequently, advertisers are increasingly questioning existing arrangements.

The full service agencies, which see this trend as a diminution of their powers and their income, argue that the best creative work comes from them and with few exceptions it's bard to disagree. But some client are having it both ways—huying their creative work the full service way and their media elsewhere (eg, Lyons Tetley buys its creative work from Doyle Dane Bernbach and its media from Chris Ingram Asso- which is, in effect, *a la carte*.

However, the agencies say that breaking down the full service arrangements acts as a disincentive and inhibits any initiative from them on bebalf of the client, since each function only sees a fraction of the client's problem.

The choices have certainly never been greater. In the shadow of the great oaks (the full-service agencies) acorns of specialists are growing up, though the labels can be confusing. Media independents, creative consultancies, sales promotion, direct marketeers, product developers, media consultancies, marketing advisers —all are facilities that would once bave been considered part of the agency domain.

A number of specialists with proven credentials bave quit main agencies to go it alone—media directors from Collett Dickinson Pearce, Allen Brady & Marsh, Dorlands, and creative directors from TBWA, Lintas, Leo Burnett.

A major factor in the developmenl of the specialists has been tbe media Independent movemeot, now in its 15th year, which made it possible for advertisers to buy their airtime and space separately.

Independents argue that they have fewer overheads, and as experts in their field, they claim they can offer superior service and better value for money to their clients. One newish media independent recruit, John Terriss, formerly media directnr of Dnrlands and now with Chris Ingram Associates, put it thus: "On a £1m budget, assuming £100K for creative work, the good huyer could save the client as mucb as £450K; the client then has the nptions nf returning the savings to his bottom line, investing in other brands nr new product development or buying 50 per cent relevant advertising space or time for the same hrand. By employing a poor buyer he has no such problem."

By performing efficiently—as they say, they live or fall by their skills—media independents have watched their billings grow (MEAL puts media independent TMD in the top 10 agencies for 1984) and have seen their full service parents, which once denounced the move ment, now espouse the cause. Twelve of the top 20 agencies now offer their media department as a separate function.

"More clients are prepared to pay for the hits they are using and not the bits they aren't using," says John Terriss, who coined the "clients' lib" phrase.

Gary Luddington, marketing director of Guinness GB, helieves that while full service will continue to have its place, particularly, be suggests, for medium and smaller clients, the specislists will continue growing and making inroads into the full service market. As larger clients become more sophisticated, many with their own well developed marketing functions, and understand their business and their products better, there will be less and less demand, be suggests, for the marketing and client service departments in advertising agencies.

Guinness is a case in point. Before its recent review, the company had defined its own strategy and knew precisely which marketing and hrand positioning route it wished to follow. Consequently it was seeking creative solutions only from its agency.

There's a danger, he believes, of the bigger agencies with well-developed client service and marketing departments, losing sight of their principal role: tn create advertising.

So what are the attractions of the o *la carte* system? Bayer UK (press only advertising) and Tomy, the Japanese toy manufacturer (mainly TV advertising) both chose it after having had considerable experience of traditional methods.

Colin Freedman, advertising and promotions manager of Bayer UK explains: "I was disciplined in the days of recession when we had to maximise our hudgets (which weren't increasing) and accountants were tempted to draw a red pencil through the advertising and marketing. So if a sum of money was not keeping pace with inflation we had to look carefully at our media huying."

Full service agencies have their function, be believes, but there is always the risk of losing the rapport with the creative team and the copywriter and if they leave, which they often do, "it's like changing agencies."

Buying media through an independent sees the bulk of commission returned to the client: the independent keeps 3 per cent and 12 per cent is given back. (A full service commission would take the 15 per cent, though these days this is often negotiable.) "I find I can huy a lot of independent creative services with that money and more media because there's more money left over. Also I can control my production costs and negotiate my own rates wilb the best people," says Freedman.

A major drawback—and it's one many clients don't want to bave to cope with—is the extra workload involved in co-ordinating independent services.

Tomy's sales and marketing director, Peter Brown, says he took the n *la carte* route "out of necessity." Originally linked with a full service agency, Tomy UK found itself, as a small advertiser, receiving a low level of attention and always baving to brief people through an account handler; never directly. "The commercials pnt forward were very elahorate aod grandiose. It seemed to me we were getting the standard approach with a disproportiooate amount of our budget going on television production."

The major benefits, says Brown, lie in dealing directly with the principals of the company and in direct contact with people doing the work, with no third party interpretation. "From my experience account managers protect or defend you from the media people."

The outcome is an advertisiog strategy, totally in contrast to anything the company had done before. "The media strategy dictated the length and content of the commercials," he says. "Instead of a corporate atyle of ad with three or four products running in short bursts, we've invested beavily in TVam with one product ads throughout the whole year. Fresh media thinking got us that."

For Braun, n *la carte* means buying expertise. Marketing director, Bengt Lofquist, says: "When yon gn to media specialists they are the experts. You buy so many different services from a full service agency it would be very difficult, if not impossible, to get the best in all areas—account handling, creative and media.

Last year, a survey in Marketing magazine suggested that about 80 per cent of agency appointmeots were made mainly on the strength of perceived creative ability. The result, said the media specialists, is that full service agencies have invested heavily in departments which win and hold the business; not surprisingly these are mainly creative.

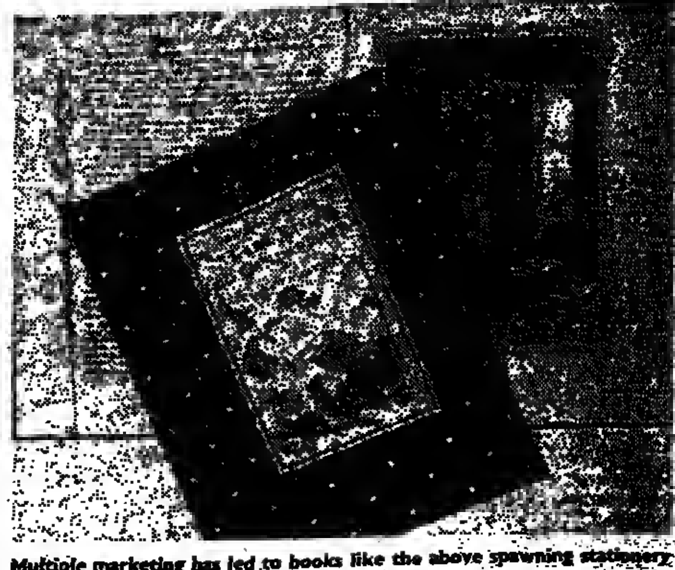
"A good media buyer can increase business dramatically," believes Lofquist. Though, of course, there are good and had buyers in all agencies. After buying the full service way, Braun now chooses creative and media separately with "excellent performance" results.

Christian Dior tells a similar story. Astrid Sutton, UK advertising and puhlic relations manager, helieves clients are only just waking up to the importance of the media function. "It has been a poor relation but it's now coming into its own," she says. Dior is handled creatively by a full service agency in France with a media independent doing the UK buying. "Though hard to evaluate an absolute terms," she reckons, on ratecard costs with a medium sized hudget, she is "probably buying in the region of 30 per cent more efficiently than before. We're terribly pleased at the way it's going."

Book publishing

Reading markets right

Alison Coles on Century Publishing's marketing philosophy



Multiple marketing has led to books like the above spawning stationery and other products

IN THREE YEARS Century *Publishing* has come a long way. From a standing start wben it was set up by a group largely comprised of disillusioned refugees from Robert Maxwell's takeover at Macdonald/Futura, the company bas grown to £519,000 of pre-tax profits in 1984.

Then, last Friday, came an announcement that London Weekend Television had agreed to merge its Hutchinson publishing subsidiary with Century for £3m cash and £4m of shares in a new company, Century Hutchinson, giving LWT a 25 per cent stake.

At the beart of Century's growth has been its strong marketing. From the beginning it knew what particular markets it would confine itself to and how it would then sell its prodncts in nrder to achieve its aim of becoming market leader in each category. The areas it aimed for were bealth and fitness; middle market romantic fiction; computer books and illnstrated books.

Other elements in Century's formula have been collective team work and the shareholding commitment by all employees, a concept which Anthony Cheetham, the managing director, represents as a personal philosonhy. Equally part of his philosonhy is an all-consuming commitment to the company's expansion. "Weekends and evenings belong to the company—and no less is acceptable. Originally it was seen as a function of the start-up, but now it is an ongoing necessity if we are to reach our targets."

Century opted for particular markets partly because they were what the directors' own experience suggested would be worthwhile but also partly because research into UK best-seller lists pointed to there having been little change in readers' interest areas over 30 years. U.S. lists, which have heen going even longer, underline the UK findings.

Virtually all work is commissioned predominantly from unknown and first-time authors. There is a strong disinclination for cheque-book hidding. Century also makes a 15 per cenl allowance for uncommissioned manuscripts and for works which satisfy Cheetham's instinct for a market winner, even if these fall outside the company's mainstream categories.

In its sbort histnry Century has made two serious mistakes, both because of hasty reprinting rather than editorial misjudgment. Generally, the company is a regular in the best seller lists —a major success has been "The Illustrated Lark Rise to Candleford."

A crucial ancillary part of Century's method of promoting its work is multiple marketing, which means devising as many ways as possible of selling a single product. A good example of this concept is Leslie Kenton's "The Joy of Beauty" which resulted in 12 different items of publication, including a television programme, an "own brand" Marks and Spencer version and an Australian edition.

Follnwing publication in whatever form, a book will be assessed fnr how much or how little it should be promoted. There are four promotional grades. First, wherethe differential between worst expectations (without promotion) and best and best expectations nf sales (with it) is large, maximum effort is brought into play. The second category would qualify for maximum public relations effort, hut no advertising support. Third, gratuitous publicity would be sought, hut with no great expectations. And, fourth no promotion is deemed worthwhile because it would make no difference to eventual sales figures.

Before Century was founded the joint expertise of the group largely lay in softback houses, among them Futura, Sphere and New English Library. The decision to establish a hardback house with its own paperback arm stemmed from the reasoning that "we have more than one bite at the cherry to get the financial equation right," according to Cheetham.

To get the company on the road, Cheetham looked first to the City for finance and then a Hong Kong financiers, before returning to the City where Venturelink put up £800,000.

Before the Hutchinson deal Century had planned to go to the Unlisted Securities Market. Now, however, the newly created Century Hutchinson will go public in 1988, coinciding with Hutchinson's centenary celebrations.

TECHNOLOGY

EDITED BY ALAN CANE

DIFFICULTIES INVOLVED IN AGREEING STANDARDS FOR COMMUNICATION BETWEEN COMPUTERS

How industry is setting standards

BY GEOFFREY CHARLISH

BUSINESS ACTIVITY, as we all know, is easily confounded by committees and their meetings. So what hope is there for the rapid finalisation of technical standards in the newly-emorging information technology, particularly in Europe whore there are et least 10 formal bodies involved and untold numbers of committees?

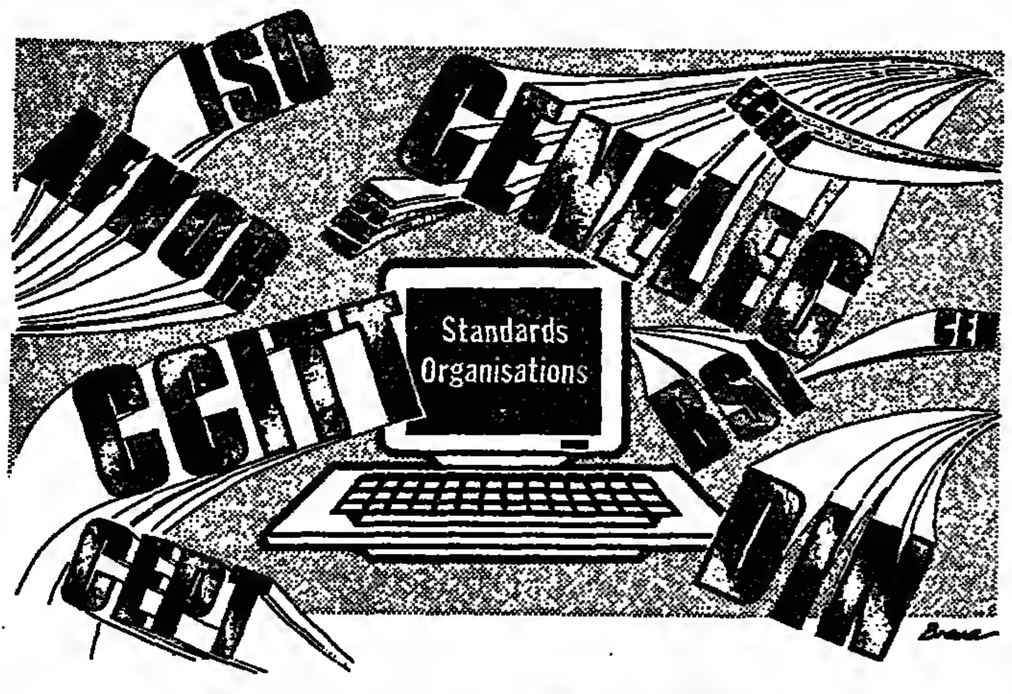
The speed at which these processes take plece might come as a shock to those outside the immediote environment. Mr Keith Bartlett, head of tha Information Technology Standards Unit at the Department of Trade and Industry, says that "in many cases technical agreement is achieved months, and even years before the standard is formally published."

The conclusion must be that, although international engineering is often able to see its way through to a logical outcome for a standard, the associeted bureaucracy is not.

A practical short cut—it is called "Intercept"—is offered by the DTI to those wanting to design equipment and software and bring products to market as soon as possible—without waiting for ratification. Bartlett believes it is often safe to plan on the use of a standard at the international draft proposal stage. So the DTI is trying to identify standards that can be regarded as reasonebly moture and stoble, even though tho full procedures have not been completed.

Mr Barlett was speaking at tho recent Information Technology Standards conferenco put on in London hy Oyez. This provided a useful "snapsbot" of the present position, particularly with respect to OSI, or "open standards intereonnect," e model put forward by the International Standards Organisation (ISO).

OSI is an attempt to solve the problem of interworking (not just interconnecting) different types and makes of terminal and computer, regardless of their location. The problem datos from the introduction of publie data networks in the mid-1970s, which meant that intercompany and intracompany multi-site data communications suddenly became much more feasible.



Throughout, supplying companies bavo tried to establish their own standards, intent on making themselves sole vendors at each organisation they supplied. Because IBM has most sites, its proprietary technology, SNA (systems network architecture) is by far the most widely deployed. Thore may be 20,000 SNA users world-wide.

The other suppliers and their customers have the options of falling in line with SNA, formulating supplier gronpings in particular technologies (Ethornet for local erea networks for example), or waiting for the European OSI standards to materialise.

It is the waiting that is eausing some concern in the industry, although everyone edmits that open systems standardisation is bound to be difficult. Work was started in 1977 and it will not he till the end of this year, says the DTI, that a full set of draft proposals will be completed.

The ISO seven layer model breaka the open systems standards framework down into conceptual levels of communications octivity. At "lower" levels it deals with the pbysical means of sending data over lines—essentially volts, amps and bits.

"Higher" levels deal with the "language" of transmission and strictly define how the data is arranged for sending down the line. An analogy is the international language problem. An Englishman with no French will not understand a Frenchman even though the words are composed from the same letters.

Yet higher levels deal with format and content of the documents being sent. (Even if one knew French, would one understand the subject matter?)

Upper layers of ISO-7 deal with the naturo of the application itself—continuing the analogy, what are the overall tasks and objectives of the Freoebman and Englisbman at the two ends of tho line? In information technology this might signify a company talking to its suppliers, or managers talking to each other using personal computers at different sites in the same company—there are many possibilities.

OSI is intended to ensure that, whatever is going on in the seven levels, any terminal, computer or other device can interwork without hindrance.

The burning question is how long manufacturers and users are prepared to wait for European standards to appear. Apart from the DTI Intercept programme in the UK, an additional effort is being made by the EEC Commission to harmonise standards throughout Europe, impelled by the prospect of U.S. dominanee via IBM.

In the meantime, IBM continues to enhance SNA with bigher level software — DCA (document content architecture) and DIA (document interehange architecture) for example.

IBM network specialist Mr Luke Wilson indicated that interconnection of OSI and SNA will usually be possible with suitable converters, but there may be loss of effectiveness for the terminal user. SNA and OSI, elaims Wilso, "are different, but not competitive — and they can co-exist."

OSI, explains Wilson, allows the interworking of systems with the same or different architectures. SNA on the other hand, exists "to provide customers with a coberent architecture that allows them to offer a complete network service to their users."

Consumer

3D TV screen

Mitsubishi Electric Corp, has test-mannfactured, apparently for the first time anywhere, a three-dimensional device with a triple-level structure which bas been theoretically seen as a next-generation semiconductor ehip with multiple functions.

Researchers at Mitsubishi's LSI laboratories said the new device, when commercialised, may find wide applications in high-tech products like resonrces exploration satellites, image processors fur brain surgery and intelligent robots.

The device is made np of three integrated circuits, each with different funetions, laid on top of each other on a single silicon chip.

A Mitsubishi spokesman said the technology with which the three-dimensional device was test-manufactured bas been put to practical tests with two different double-structure devices.

One is a 256K stetie random access memnry chip whieb bas its logie circuitry in the npper structure and memory circuitry in the lower structure.

Seminar

Expert ideas

MARKET RESEARCHERS Frost and Sullivan will be bolding an expert systems seminar in Londan and Amsterdam in May to coincide with the pnblication of a new report on the subject rnnning to 700 pages and costing $2,000.

The London event will be held at the Kensington Close Hotel on May 13 and 14 and tbe fee will he £435. The Amsterdam conference will be on May 9 and 10. More information from Cindy Barnes in London on 01-486 0334/5.

Conference

Computer protocols

A ONE day aeminar intended to increase awareness of the Generat Motors Manufacturing Automation Protocol (MAP) will be held at tho Sheraton Skyline Hotel, Heathrow on March 26.

Organised jointly hy Computer Aided Manufacturing International (0202 670717) and Beale Electronic Systems, the event will feature speakers from the GM Technical Centre, McDonnell Douglas and Dupont.

There will be European reaction from both users and vendors—of interest in view of the fact that MAP is based on the ISO/OSI seven layer model aimed at allowing different makes and types of computers and terminals tn work together.

Semiconductors

Satellite factory

LITTON INDUSTRIES is to build a $10m antomated parts stnrage and distribntion facility in Puerto Rico that will be run by a satellite link from Santa Clara, California, some 4,000 miles away.

The facility, sited next to an Intel semicondnctor plant, will send raw material and finished prodnct data to California. It is part of a pilot project for the worldwide standardisation of Intel chip prodnction and will come on stream in August.

Occupying over 63,000 sq ft, the facility will have multiple aisles and storage racks np to 70 ft tall, allowing space for 16,200 trays of small parts and 5,000 pallet loads of large ones.

Automation

Food production

MEINCKE BROTHERS, Danish food processing machinery specialists, has developed a fully outomated prodnction line for the prodnetion of bars which contain a combination of nnts, boney, fruit and cereal. These ingredients are notoriously difficult to handle says the company.

The production line has a mixer fed hopper which delivers the mix to a crunch bandling machine which forms e continnous layor of the mixture onto a vibrating roller which compresses the mixture. The carpet of ingredients is then baked in a three heat zone oven and cut into individual bars as it leaves the oven.

The company has installed two lines in the UK and several otbers are planned. The crunch type har was introduced by the snack food industry in 1978 and is still growing in popularity.

Mixed blessings

RIBA Services has asked us to point out that their purchase of an AntoCAD compnter aided design system, used to complle and distribute drawings of building prodncts for distribntion to architects that have CAD systems, is not an endorsement of that product.

PAYROLL AUTOMATION

Wage packet dispenser

ROBOT wages elerks are in voguo these days. A number of companies have installed automated teller machines (ATMs) similar to the automated cash machines built into the walls of bank branches to enable their employees to draw their wages in cash.

Now Intern Innovation, a Swedish company best known in the UK for the high speed cash dispensers used In many National Westminster Bank hranches, has developed a computerised wage packet dispenser which handles both coin and notes.

But not without a human operator. The dispenser is based on Inter Innovation's "Cash Adapter," designed to assist the front office cashier in banks and building societies.

The Adapter takes directions to deliver hank notes from a microcompnter and dispenses the correct amount through a slot.

In the wage dispenser variation, the Adapter is interfaced to a eoin dispenser and to a Canon microcomputer. According to Inter Innovation software provides fur highly accurate note and coin dispensing an that up to 600 wage packets an hour can be handled.

"By automating the cash handling aspects of wage packet make-np" the company argues: "tho equipment will enable one employee to process wage packets at four to five times the prodnetion rate achieved using manual methods."

To operate the system, the operator cnters the wage packet amounts and employee references provided on wage slips into the terminal.

The exact amount of notes and coin are dispensed ready for insertion into the wago packet.

The system can be tailored to operate in conjunction with computerised payroll programs so obviating the risk of operator error in the keying in phase. More on 0734 584741.

ALAN CANE

THE ARTS

Records/David Murray

Neither vintage nor modern

● Gounod: **ROMÉO ET JULIETTE.** *Alfredo Kraus, Cathérine Malfitano, José Van Dam, Gino Quilico, Ann Murray, Gabriel Bacquier, Jocelyn Taillon et al.; Plasson/Toulouse orchestra and choruses.* **EMI-HMV EX 270142 3 (three records)**

● Debussy: **THE FALL OF THE HOUSE OF USHER** *(fragments).* Caplet: **THE MASQUE OF THE RED DEATH** (with Frédérique Cambreling). Schmidt: Etude. "The Haunted Palace." Prêtre/Monte Carlo Philharmonic. **EMI-HMV EL 2701581**

The Germans can swallow Gounod'a *Faust*, but they grit their teeth first and re-title it "Marguerite": to confound it with Goethe's play of the same name would be indecent. With *Roméo et Juliette* we have no such ready prophylaxis — the story, as retold by Barbier and Carré, doesn't depart so very far from Shakespeare's, and Romeo had no philosophical monologues to lose in the first place. Gounod's Friar Laurence is a juicy role, but we can't really call tha opera after him. And all the scenes that are familiar even to peopla who have neither seen or read the play are enacted in Gounod, one way or another; the only glaring departure is the extra lease of life granted to Romeo for the sake of a final duet—just aa in Berlioz, following Garrick's version in his own incomparably finer but *superbly* impracticable score.

Gounod's *score* is as practicable as can be, unlike Berlioz's impossible hybrid (the lovers represented only in the orchestra, but Laurence and the warring families given full operatic treatment). The French have always vaguely admired Shakespeare, whose language is far less accessible to them than Racine's is to us—a matter of linguistic history—and therefore doesn't hobble their *imaginings*; but his dramatic forma are obviously *untidy* and even *farouche*, excellent for Berlioz but unsuitable for institutionalised art like Gounod'a. This *Roméo* is very tidy. In telling a story, it makes a great difference what you dwell upon: the elements in Shakespeare'a original that put the lovers' situation in focus dwindle here (especlally the earthy common sense of Mercutio and the Nurse), and what's left is clear, thin and period-commercial.

The notes which accompany the new EMI album judge it "paradoxical" that though Gounod's treatment was recognised as more *bourgeois* than Berlioz's, it's Berlioz who gives *full* weight to the civil war between families. In Gounod's final act the lovers hold the stage alone with their sentimants, and the real moral issue is whether a good Catholic audience can approve of a pair of suicides (who accordingly die crying "Seigneur, Seigneur, pardonnez-nous!"). No paradox there, nor much dramatic life. The charm of the opera must reside in the professional variety of its tasteful pastels, and in the stylish cut of its vocal lines.

The new recording does considerable *justice* to the piece, though it pulls in different directions at *once*. Michel Plasson conducts his Toulouse forces robustly and broadly, alert to possibilities of colour and energetic action. His subsidiary tenors—Gino Quilico's Mercutio and Charles Burles' Tybalt—are lively and idiomatic; Gabriel Bacquier makes a rusty but ripely characterised Capulet, and Ann Murray has a cameo triumph with the page Stephano (*who gets a serenade* like Mephistopheles with milk *and watar). In Gounod,* the good Friar is no well-meaning clerical *bumbler, but a sonorous* representative of God, and José Van Dam *offers* the requisite sustained intensity.

The lovers are, however, a mixed pair. As Juliet, Cathérine Malfitano is and sounds young, eager to convey dramatic sentiments vividly, in a sometimes breathy soprano that leaves smudges on Gounod's sophisticated line. Simple feeling goes well, arch music like the *valse-ariette* that introduces the heroine (and if you ask me, wrecks her beyond repair) is a little gauche. By contrast, the veteran *Alfredo Kraus* makes his Roméo a series of dedicated *exercices de style* (though his refined clarity exposes some *foreign vowels*), with a remarkable youthful ring in some passages and in others not. Aiming at different ideals, they connect only intermittently. The resultant performance is sincere and often attractive, but neither quite a vintage study nor a full-blooded "modern" reading.

There was a point at which French interest in English literature switched from British to American, and it is exactly marked by the translations by Baudelaire and Mallarmé of Edgar Allan Poe. Another EMI *record cleverly assembles some* of the musical evidence: André Caplet's *mini-concerto* for harp after "The Masque of the Red Death" (here in the version with orchestral strings: the *Monte Carlo band is* not brilliant), the young Florent Schmitt's *orchestral Etude* on "The Haunted Palace"—solidly in the French post-Wagnerian tradition, but impassioned and *shapely — and Debussy's* sketches for his never-to-be-finished opera on *"The Fall of the House* of Usher."

The Debussy, realised by Juan Allende-Blin from posthumous fragments and held in some suspicion by musicologists (the fragments are meagre, the realisation rather bold), is fascinating. From 1908 till his death he worked at "Usher," having settled early upon an operatic form for Poe's story (hallucinatory, in slow motion) but generating *musical* ideas slowly. Allende-Blin gives us extracts in *speculative* full dress; however guessy the filling-out may be, the authentic raw material is plain enough. Its kinship is not with the chamber sonatas and pleno *études* that we think of as late Debussy, but much more with the ambiguous *Martyre de Saint Sébastien*, his d'Annunzio collaboration — hieratic but fraught, dark and anxious. The performance under Georges Prêtre puts tantalising life into these exhumed bones.

Ludmilla Andrew in The Barber of Seville

The Barber of Seville/Glasgow

William Weaver

A *Barber* set in the 1950s? Figaro sporting an Elvis Presley coiffure and a shiny zoot suit? Dr Bartolo *in* pin-stripe, reading a familiarly pink newspaper? *Portable* radios and plastic carry-alls? It sounds, at first, like another case of advanced produceritis; but, as sometimes happens with these anti-traditional views of operas, this staging somehow works. The Scottish Opera's Barber, devised by Robert David MacDonald (of Glasgow's Citizens' Company) and staged at the Theatre Royal, is a thoroughly coherent, light-hearted view of the classic comedy. It is not a mere collection of gags in the Ken Russell manner, nor does it resemble those Ronconi events where the scenery is often more kinetic than the singers.

Here, the production is based firmly on character: this Almaviva, this Rosina, this Figaro are derived from Sterbini and Beaumarchais, and their updating simply demonstrates their *universality*. In fact, the vivid, dusty-rose set *by Sue Blane could* be used in a traditional, 18th-century production, but that would have deprived us of her ingenious, apt costumes.

Some of the producer's gags can be questioned. In the opening scene, the wonderfully scruffy band that Fiorello assembles for the serenade includes a dimwit triangle-player who, as mimes will, attempts to dominate the action *and proves a tiresome intrusion.* His enthusiasm could easily *and fruitfully be quelled.* I can also see why some people were offended by the mock-urination gag, with Figaro and Almaviva facing a wall; as a long-time Mediterranean resident I found it normal, but not particularly amusing.

On the other hand, I would find it very hard to criticise or forget the youthful, infectious ebullience of Russell Smythe's Figaro or the winsome perkiness of Della Jones' Rosina. Ludmilla Andrew is a splendidly conceived Berta: a chain-smoking, beer-drinking, TV-watching frump. The buffa tradition can surely accommodate her *few liberties* with the text and the music, including her *virtuoso* cough.

Of course, what made this *Barber* so totally enjoyable was the high level of the musical performance. From the first bars of the Overture, Sir Alexander Gibson established the appropriate, intimate quality *of* the evening.

This was no rafter-shaking, concert execution but an introduction to a fluent and natural, yet spirited, *reading*. No high points were missed—all the big solos were enthusiastically applauded, and Berta's aria brought down the house—but this was not a series of detached hits; Sir *Alexander's* feeling for the shape of the whole piece was always in command. And the orchestra played beautifully for him, in *particular* the winds, who are so often exposed. Each *little solo* was a gem.

The cast included no big jet-set stars. Thus, there was a greater cohesion among the artists, more teamwork and less rapacious mugging. Russell Smythe was generally a smooth Figaro, though he *occasionally* forced his voice and shouted where he *should* have sung. Della Jones also had a couple of rough notes, but, like Smyth, she displayed an excellent rhythmic *sense*, vital to good Rossini performances.

Keith Latham, the Almaviva, was equally musical and his sweet, lyrical sound was a joy to hear. From his lanky, greasy hair to his awful grey moccasins, Geoffrey Moses was a Basilio to remember; vocally, too, he was impressive, witty, and he enunciated the Italian text with admirable clarity. *So* did all the others, with one magnificent exception: the veteran D'Oyly Carte star Donald Adams, as Bartolo, sang the Italian text with a noble disregard for the purity of Italian vowels; somehow, his accent only added to the fun of his droll interpretation.

Actually, *this production* cries out for English translation (and the word is that *MacDonald* is already working on one, for a revival of this *Barber* in three years' time). But even with the Italian text, the MacDonald *Barber* has audiences in stitches; when verbal fun is added to the visual, the success should be even greater.

Glenda Jackson in Marat/Sade

Theatre books/Michael Coveney

Actor at odds with his world

Laughter in the Second Act
by Donald Sinden. Hodder & Stoughton, £9.95, 228 pages

Glenda Jackson: A Study in Fire and Ice
by Ian Woodward. Weidenfeld & Nicolson, £10.95, 225 pages

Glenda Jackson
by David Nathan. Spellmount Ltd, £3.95, 95 pages

Mr Chips: The Life of Robert Donat
by Kenneth Barrow. Methuen, £9.95, 208 pages

Choices
by Liv Ullman. Weidenfeld & Nicolson, £9.95, 193 pages

Stage-Struck
by Lionel Blair. Weidenfeld & Nicolson, £8.95, 161 pages

A Talent to Amuse
by Sheridan Morley. Pavilion/Michael Joseph, £12.95, 363 pages

Donald Sinden has followed his first book of anecdotes (*A Touch of the Memoirs*) with a second not quite in the same class. There are a few good stories and some fascinating background information to his performances on stage and television ("Henry the Eighth is a bloody awful part," one chapter begins, endearingly) but a good deal of disastrously uninteresting stuff about family holidays, his own genealogy, finding a cottage in Kent, getting his sons into Lancing.

These memoirs are beefed up with some oddly obsessive chapters on such subjects as typefaces, ecclesiology and the British Theatre Museum. They reveal an unbewitching demonism, a sort of rantipole steeliness, something indeed of the actor'a stage personality. He is at odds with much of today's theatre world: be takes a few healthy swipes at directors (though not as effectively as did Simon Callow) and feels ill at ease with RSC actors in jeans. You feel he'd be happier discussing Macready's journals in the Garrick Club. But his re-birth at the RSC in the early 1960s, after years of what be calls "Rankery" in the cinema, leads to the best part of the book, his personal account of *The Wars of the Roses* and a devastatingly funny, affectionate portrait of the director, John Barton.

On the whole, I like actors' disappointing autobiographies more than I do scissors and paste biographies by journalists or showbiz writers. There is a glum predictability about these books, a plodding trek through origins, schooling, college, first job and so on, interlaced with hefty quotes and all stuck together with an unambitious commentary of minimal joy or perception. When something zanily original like Garry O'Connor's Ralph Richardson biography comes along, or Irving Wardle's meticulous and loving George Devine volume, the shoddy end of this particular market is even further exposed.

I am afraid that a good example of such a soulless exercise is Ian Woodward's unilluminating study of Glenda Jackson. Along with the career details are a few rude remarks about Jackson's appearance and even quotes by former RSC colleagues (Ian Richardson, Patrick Stewart) who patently dislike her. Her affair with lighting designer Andy Phillips is tediously reconstructed from gossip and newspaper clippings, but there is little evidence of first-hand engagement with the artist's work. Instead, we are reminded that Jackson dislikes glamour, is demanding of her colleagues, is devoted to her son, and has no gift for small talk.

She is, in hsort, though Mr Woodward cannot bring himself to say it, a model professional and a very remarkable, sane and intelligent woman. She is, in my view, the outstanding actress of her generation, rivalled only by Vanessa Redgrave and Judi Dench, and she is putting together a career on film and stage that, in 70 years' time, only Alan Bates will be seen to be challenging. She glows with the only beauty that matters, an inner beauty. This quality was apparent in the *Marat/Sade* and in her Ophelia 20 years ago, as it is in every film she makes, as it was last year in O'Neill and Racine on the London stage.

Mr Woodward beats on solemnly through everything *she* has done but *tells us* nothing new. David Nathan uses much of the *same source* material in his modest memoir *with* the added *advantage* of some forthright interviews with *the subject. This* bandy *little* series, not too big for its boots, also offers studies of Laurence Olivier and Dustin Hoffman.

Like Glenda Jackson, Robert Donat oscillated with great success between the stage and the silver screen. I fell greedily upon Kenneth Barrow's biography mainly because I knew so little about Donat and never saw him on stage ("a chronic asthmatic with a voice of unforgettable beauty," he died of a brain tumour, aged 53, in 1958). He had two great regrets: he was never invited to give his Desert Island Discs (he had them all ready—Binnie Hale and the "New World" Symphony); and, like Donald Sinden thus far at least, he received no *knightly* call from the Palace.

His professional judgement was not always brilliant. He could not stand the thought of even sharing the limelight with another actor, and for that reason turned down the chance to alternate as Romeo and Mercutio with Gielgud in 1935: Olivier *was not so choosey*, and scored a famous triumph.

He was an actor's actor who curiously failed in the romantic parts such as Romeo and Dick Dudgeon, but who had his greatest success on film as old Mr Chips when be waa just 33 (Paul Muni and Spencer Tracey both considered this the finest performance *ever* seen on film). I thought *The Young Mr Pitt* held up very well, too, on television the other day.

Liv Ullman certainly breaks the mould in her dribble-of-consciousness account of looking out of windows, gloomily reporting a love affair with a large man who came to interview her for television, and visiting starvation areas in Ethiopia on behalf of Unicef. I shall never again complain of having to sit and watch her in an Ingmar *Bergman film.*

I am not sure what a reputable publisher like Weidenfeld *is doing with this sort of rubbish* and am just astonished at the *same house's meddling* with Lionel Blair, who seems like a nice boy but is obviously not (he had his nose fixed and left a pregnant girlfriend, he confesses, entirely in the lurch). Blair gawps and goggles at his dear friend Sammy Davis's obviously ghastly Hollywood retreat and transmits throughout a sort of ghastly pushy suburbanism. "Glamour has always been my thing" says Lionel (no Glenda Jackson, he). You could have fooled me, love. And what about this for self-knowledge: "I'll never be a favourite of the critics, rather like Max Bygraves and Des O'Connor." This is because, apparently, he doesn't fit into a pigeon hole. I dunno. *There are pigeon holes* and pigeon holes.

Finally, the reissue of Sheri*dan Morley's excellent Coward* biography shows how it should be done. The subject is worthy of the treatment; the biographer knows what he is talking about and proceeds to write a book that had to be written with authority and affection.

Pop/Wembley, Dominion

Antony Thorncroft

In their constant search for novelty, the fixers of popular musical taste are just as happy to dig up memories from the past as to discover the sound of '86. Tina Turner has proved ideal—glamorous enough for the boys; exploited enough for feminists; old enough, at 46, for voyeurs.

She is at present *justifying* critical faith in her abilities with a *barn-storming* act in which she throws to the public her blonde *mane*, her fetishistic clothing and a songbook stretching back 20 years in the certainty that no one can resist the image. Even she could not quite conquor Wembley Arena but her material alone, like "Nutbush City Limits" from the past and "What's love got to do with it" from the present, justifies her cult status.

In contrast, Billy MacKenzie of the Associates offers a restrained parformance. He was on stage at the Dominion on Monday for an hour before acknowledging the audience, which, in its turn, was slow to rise to its feet.

He is trendy because of his voice—which covers the *octaves* almost to falsetto—and because he *sings* love *songs. Often,* the voice is used for trickery rather than to create a mood: he should be moving when he sings "Crying game" to a piano accompaniment, but instead he is affected. But the big bit, "Country club," was lively, thanks to a faceless band which offered little in the way of a show but maintained a tight sound.

Rambert ballets/Sadler's Wells

Clement Crisp

The works new to London seen thus far in the Ballet Rambert season are a very mixed bag of creative ideas. In last week's opening programme the most considerable novelty was Christopher Bruce's *Sergeant Early's Dream*, a study in nostalgia and folk dance to predominantly *Irish tunes.*

The form of the piece stresses *alternating happy and sad songs* performed by a buddle of musi*cians* at the back of the stage, which Mr Bruce explores by *allusion* or by more direct illustration. There are succinct *mini-dramas* to "Barbara Allen" and in a woman's lament for a hanged lover; there are also sunnier, jig-bouncing numbers with the four men of the cast chasing an elusive girl, and a drunk, barely supported by two bibulous chums, declaring his passion for a girl and forever collapsing into a Gordian knot of limbs and leers. It is an agreeable work, if disjunct and rather over-extended, and admirably danced by its cast, who are by turns fleet or mournful.

Richard Alston's new *Mythologies* is also ethnic, but it finds little help in Nigel Osborne's score, inspired by "a structural study by Claude Lévi-Strauss of a *Tsimshian* Indian myth from British Columbia." The narrative *has to do* with a boy who freezes to death because he forgets *certain magical objects* given him by his bird-god *father.* This unpromising tale Mr Alston recounts in elliptic fashion, with deliberate movement that makes the incident seem like a game of dumb crambo round the tepee.

The dancers, led by Mark Baldwin as the boy, strike Tsimshian poses—they could as well be Anglo-Saxon attitudes — but of the richness of imagery found in these same collaborators' *Apollo Distraught* there is little trace.

This triple bill closed with Robert North's *Death and the Maiden*, first seen with London Contemporary Dance Theatre. The two Schubert quartet move*ments which are its musical* basis are more intense than any of the dance imposed upon them, though Albert van Nierop has a potent presence as Death, especially in the sharp poses which punctuate the dance with notes of menace, and Catherine Becque darts and flies in despair from him before reaching a final resignation with touching urgency.

Last night'a programma brought the London première of Dan Wagoner's *An Occasion for some Revolutionary Gestures.* Appropriately for an American choreographer, tha work is danced to Michael Sahl's piano variations on Yankee Doodle Dandy, and John Macfarlane's set is of a torn and rain-washed Stars and Stripes flag. The cast of 14 are hideously garbed in unisex outfits, no-coloured and unflattering trousers and tops; their dances are a kaleidoscope of movement fragments, restlessly shuffled by Mr Wagoner. We see snatches of pugilism, dance class, tea-drinking, and myriad other twitches of activity.

Arts Guide

Music/Monday. Opera and Ballet/Tuesday. Theatre/Wednesday. Exhibitions/Thursday. A selective guide to all the Arts appears each Friday.

March 15–21

Exhibitions

PARIS

Impressionism and the French Landscape: The exhibition, conceived to coincide with the Los Angeles Olympics, treets the Impressionists' favourite subject matter from an unusual angle. The 125 paintings by the *great names of the movement* and by Manet and the Post-Impres*sionists, are divided according to* themes. Rural countryside forms *one group and the means of transport* another, as do urban landscapes and the maritime universe. All show how the artists interpreted the traditional image of France and the modern one which developed in the wake of industrial progress. Grand Palais (260 3926). Closed Tue. Ends April 22.

Odilon Redon. Some 500 oils, drawings and pastels given by Ari and Suzanne Redon show the symbolist painter's anguished isolation from the mainstream of impressionist painters while he follows the torments of his imagination and the inspiration of his dreams. Musée d'Art and Essai, 13 ave President Wilson (723 3653). Closed Mon. Ends April 30.

ITALY

Syracuse (Sicily) Palazzo Bellomo: An important collection of paintings by Caravaggio: Focal point is the huge painting The Burial of Santa Lucia – patron saint of Syracuse – painted in 1608, when Caravaggio returned to Sicily after 14 years in Rome. Until Easter.

Rome: *Palazzo Venezia: Rome* 1300 to 1875 – Art of the Holy Years. A huge and splendid exhibition of paintings, *manuscripts, medallions,* sculpture connected with the holy *years which have taken place every* 50 or 25 years since Boniface VIII's first in 1300. Of particular interest is Caravaggio's The Conversion of San Paolo (which belongs to the Odescalchi family, and is not normally on public view) and the Veronica by El Greco, recently discovered in the Capuccine monastery in Toledo. Ends April.

LONDON

Renoir – a survey of the life's work of the artist who, more than any other, has come to be seen as the quintessential *Impressionist. Yet this easy* labelling is now shown to be a gross *and misleading over-simplification.* In Renoir, once the label falls away, we *find* a *wonderfully instinctive* painter, aware of what his fellows *were doing* and *responsive* to it, but never the creature of theory, analysis or programme. The later works, hitherto considered so difficult, stand as major works in their own right. Organised by the Arts Council and sponsored by IBM, this fascinating and beautiful show goes on to Paris, where it will be much extended, and to Boston.

WEST GERMANY

Hamburg Kunstverein, Glockengiesserwall: More than 120 oil paintings on paper from 1949 to 1967 by Joseph Beuys. This is the first time these works have been shown to the public. Ends March 31.

Hanover, *Kestner Gesellschaft,* 16 Warmbüchenstrasse: A retrospective of Marc Chagall's works on paper from 1907 to 1984 has roughly 200 drawings, gouaches and watercolours. This is the *only* German venue of the touring exhibition. Ends April 8.

NETHERLANDS

Amsterdam, Van Gogh Museum. A large selection from the holdings of the city's Stedelijk Museum provides e comprehensive survey of the "Dutch identity" in art since 1945: from Cobra and the Informal Group, *via Zero and conceptual art,* to the New Realists and the exuberant ex*pressionism of the emerging* generation. Ends April 15. (The permanent Van Gogh *exhibition* has moved to the top two floors for the duration).

VIENNA

Adolf Von Menzel: A rare chance to *see drawings and watercolours* by the 19th century Prussian master. This *selection from the Berlin City* Museum shows Menzel's work in all its eclectic vitality. Idealised *historicism* gives way to a vibrant naturalism as images of *fallen soldiers,* French prisoners of war or of an officer guzzling at a court ball, *record* aspects of the Empire of Frederick the Great. But it is the spare charcoal sketches of working men and peasant houses that have greater impact than the shadowy emperor and neat theatre parties. Albertina. Ends Apr 8.

NEW YORK

Treasures from the New York Public Library: 200 works chosen from one of the five best library collections in the world may cover America better than Europe, but the inclusion of a Gutenberg Bible, the Tickhill Psalter and French bindings supple*ments Americana, such as examples* of Melville's work, *announcements of the discovery of New York,* and one of the earliest globes. Ends May 24. (42nd & 5th Av).

WASHINGTON

National Museum of American Art: 49 works by five 19th century black artists highlight a show of a little-known area of American art. It reminds the *world of* Joshua Johnson, the first recognised black American portrait painter; Henry Ossawa Tanner, a student of Thomas Eakins and neo-classical sculptress Edmonia Lewis. Ends April 7.

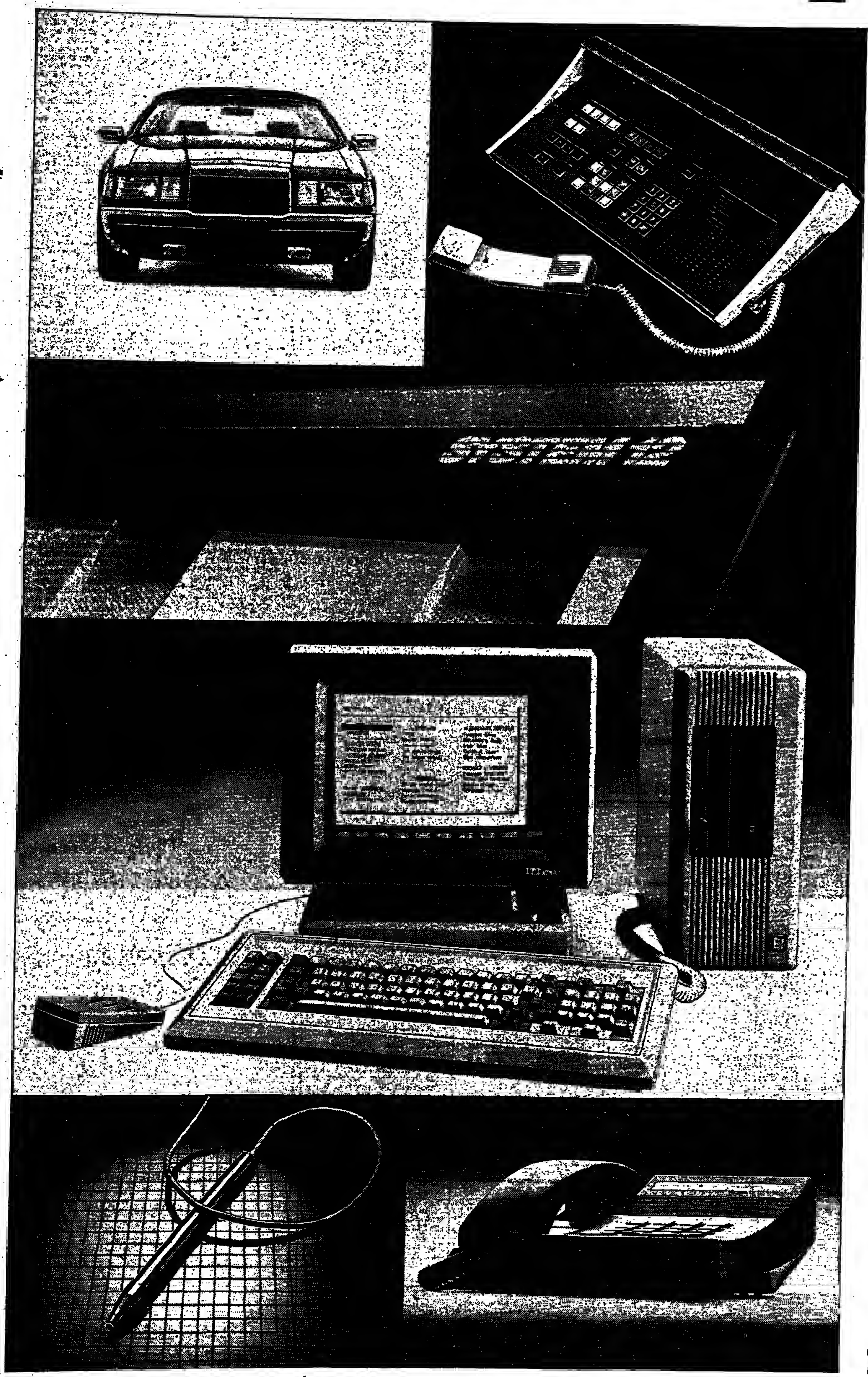
CHICAGO

Art Institute: 82 great architectural drawings cover the last *five* centuries in this show lent by the Royal Institute of British Architects. Ends Mar 31.

TOKYO

Leonardo da Vinci Nature Studies: 50 drawings on loan from the Royal Library at Windsor Castle concluding a travelling exhibition in Europe, U.S., and Australia. The exhibition has been designed by Paul Williams, designer of the Renoir at the Hayward Gallery, London. Seibu Museum of Art, Seibu Department Store, Ikebukuro. Ends May 12.

Can you find the ITT computer?



You probably went straight to the ITT XTRA® Personal Computer.

The picture that *looks* like a computer.

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Investing in the Third World

MOST COMPANIES are well aware of the advantages of equity as opposed to bank finance especially when real interest rates keep scaling new peaks. The same cannot be said for the less developed economies of the third world. If even a modest fraction of the huge flow of funds to LDCs in the 1970s bad been foreign direct investment (FDI) instead of bank loans, the debt crisis of the 1980s would have been much less severe.

FDI has played a relatively small role in economic development mainly because of the suspicious of host countries. The doubts are epitomised hy IBM's current negotiations with the Mexican government. IBM has been boosting the Mexican economy and creating local jobs since 1927 by making typewriters. Yet its attempts to ohtain permission to make personal computers in Mexico have so far proved unsuccessful. Mexican officials apparently fear that IBM's project in its present form would damage the prospects for an indigenous personal computer industry.

Many LDCs are keen to obtain the benefits of FDI. They offer various incentives to attract the technology, capital and know-how of foreign investors. These include tax concessions (often generous ¢ preciation allowances), direct subsidies and exemptions from tariffs. Yet worried hy the prospect of losing control of their own economies, some LDCs also impose a raft of bureaucratic regulations including mintmum levels of equity participalion for local companies, employment quotas, local sourcing conditions and ceilings on royalties.

Multinationals

Yet as Professor Balasubramanyam of Lancasler Untversity argued recently in the Kiel Institule's journal, hoth the incentives and the constraints probably do LDCs more barm than good. Tax coocessions only serve lo lower LDC's share of the profits of foreign enterprlses which will be attracted, if at all, by factors like market size, political stability and growth potential. Low labour costs are one of LDC's main attractions, so fiscal incentives such as capital allowances wbicb artificially reduce the cost of capital are perverse: they encourage an existing preference for capital intensive technologies which rarely suit LDCs.

Ona way LDCs can attract transnational companies is by scrapping import-substituting, protectionist policies. A stagnant home market protected by tariffs and quotas is hardly e magnet for direct investment. Bnt a non-prolectionist LDC whicb can offer multinationals a low-wage base from which to attack world markets has a good chance of attracting foreign equity capital. And it will be the more successful if it eschews the cruder, bureaucratic cootrols. There is some evidence that tbe cheapest way an LDC can gain access to more developed economies' technology and capital is by welcoming wbolly-owned subsidiaries and giving tbeir managements a free hand.

Reduction of the regulatory burden on forelgn investors by itself wili not be sufficient. As the International Monetary Fund argued recently, credible macroeconomic policies are also essential: multinationals wili not invest if they fear a sudden clamp down on profit repatriations because of a forelgn exchange constraint.

Profits stream

Transnational corporations have not always treated bost countries or the Indigenous workforce with sufficient respect. Yet it remains true that direct investment is not a zero sum game: the gain to a multinational is not automatically a loss to the LDC. Third world countries should overcome their fixation with controlling the profits stream of foreign investors. Mucb of the value added accrues as wages and salaries in the bost country. Tbe main advantages for LDCs are the transfer of skills and technology and the boost to local economic activity. This does not depend on ownership.

Reshaping UK stock market

THE BIRTH of the London Stock Exchange's new proposals for membership and the constitution has been difficult, but the final result is a reasonahle one, even though the plans have still to face the verdict of the memhership.

Given that key elements of the plans require 75 per cent approval by members voting at the extraordinary meeting scheduled for June 4, and that there continues to be unrest amongst the rank and file of the membersbtp which has not participated in the lucrative deals with outside institutions, the success of the proposals outlined yesterday cannot be a foregone conclusion. But the full weight of the estahlishment will be brought to bear.

Intellectually, the Stock Exchange's capital reconstruction plan does not have much to be said for it. There is no very clear case that the beneficiaries of an effective monopoly should be compensated when that monopoly is ended If such compensation is indeed merited, then surely it ahould he hased upon the value of the enterprise. But the White Paper adopts neither of these approaches, and instead puts forward the expedient of the creation of five saleable shares per member worth in total anything up to a ceiling of £10,000. This is a hribe to persuade memhers to vote in favour of the plans, or as the Stock Exchange more genteely puts it, a payment providing "some compensation for the gradual acquisition of voting power by firms."

In the real world, however, compromises have to be struck. The Stock Excbange Council has been sandwicbed between, on the one hand, the demands of its members and, on the other, tha insistence of the Bank of England that the terms of entry for new firms should not be unduly costly.

Participation

Elsewbere the proposals have a number of positive aspects. Voting power in the Exchange will ahift, after a transitional period, entirely to firms rather than individual members, and will thus match the trend of the market's regulatory systems. Barriers against outside firms, British and foreign, will be largely dismantled. And the compensation fund will be maintained more or less intact, though with some modifications to suit the new conditions in the market.

Other proposals are less attractive. For example, membershsip examinations are to be watered down. Although this may be inevitable wben participation in the market is being opened up, the risk of a drop in professional standards will need to be carefully monitored.

There remains the question of the regulation of conflicts of interest, which will become a still more important issue after October 1986 when the ending of the separation of capacity between brokers and jobbers will create the scope for many new ahuses in tha London stock market. The Stock Exchange has still to refine its provisional formula of extra disclosure combined with "Cbinese walls" between seriously conflicting activities within a single securities firm.

The proposals for reform of the membership and the constitution are intended to reflect the development of the London Stock Excbange from its traditional, protcted position in the domestic UK market to a new role as an international centre for securities trading dominating the European time zone. But a numher of further structural questions will need to be addressed before the future shaoe of the market can be stahilised. Most imoortant, the cumbersome council of more than 50 members will need to be cut down to size, something whicb apnears to be tentatively nlanned for some time after tha "big bang" of October 1986.

Limitation

The council'a present size reflects the need to control the representation of large and small firms and to include user representatives as well, so oother ways will have to be found of achieving the necessary balances. In future, presumably, tbe Securities and Investments Board and the Office of Fair Trading will play active roles in monitoring the public interest. But the Stock Exchange itself will have to decide whether it can satisfactorily spread its membership from the biggest international securities bouses to the tiniest of country broking firms.

By limiting the voting power of individual big firms to 5 per cent of the total and by proposing capital concessions for small firms (together with the creation of a new category of "Inducing firms" which would not need expensive dealing and settlement systems), the Stock Exchange is indicating its intention to remain a broad church. But the leadership's problems with the small firm membership may not end even if the June vote goes the council's way.

Flare-up in the Gulf war

Iran today: a revolution that knows no borders

Roger Matthews, Middle East Editor, recently in Tehran, reports on the realities of Khomeini's Islamic dream

TEHRAN does not look like a city at war or in tha grip of violent revolution. Few man in uniform are seen in the crowded streets, shops appear to be well stocked, boutiques offer Western fashions to ladies who in public may wear only Islamic dress, and by night elegant parties still take place in the affluent northern suburbs.

Such conventional normality sits oddly alongside the revolutionary fervour of a regime which is relentlessly pursuing a four-and-a-half-year war with neighbouring Iraq and which preaches Islamic revolution, not just in the Middle East but wherever Moslems are to be found.

If the Western world is confused by the paradoxes of today's Iran, it is probably because it has never before attempted to come to grips with a revolution led by clerics—and certainly not with one based on the Shi'ite sect of Islam. The task is made doubly difficult by the dominant personal role of Ayatollah Ruhollah Khomeini, the nation's spiritual leadar, and by the absence of a clearly defined power structure.

Iran today is profoundly unrevolutionary in a Western political sense. The unarmed shock troops of the revolution which flooded the streets of the nation's cities in 1978 and 1979 to overthrow the Shah may in many cases bave been the young and economically deprived—but their inspiration was provided by men in their sixties and seventies. The chant of "God is Great" was, and is, a far more highly charged rallying cry than social justice or the redistribution of wealth.

Iran's revolution seeks to bring people back to God and back to an ideal society which purportedly existed more than 1,000 years ago. The main obstacles to that dream are perceived as the secular governments of both East and West, and especially those which are deemed to have beld Iran in cultural and political slavery for so much of its history and which continue to oppress many millions of Moslems throughout the world.

Once that argument is accepted, mnch of Iran's foreign policy falls into place. The U.S. Emhassy in Tehran was not performing diplomatic functions, tt was a "nest of spies" perpetuating American colonial occupation, Iraq's invasion in September 1980 was an American and Soviet-inspired attempt to snuff out the revolution in its infancy; the Arab monarchies of the Gulf are mere tools of U.S. imperialism; the Soviet invasion of Afghanistan was a bid to spread Communist hegemony; and most European powers are playing tunes composed in Wasbington or Moscow.

All these external forces are viewed as the natural enemies of the Islamic Revolution. Iran's clergy never appear to weary of exposing their own highly individualistic interpretations of world conspiracies.

Talking to Iranians in Tehran reveals the fertile ground in wbich tbese ideas can take root. Even among those most implacably opposed to the effects of the revolution, there is an enthusiastic appreciation of conspiracy theories.

While they may deplore tha excesses of the revolution and the personal damage which it has inflicted on their life style, tbey also betray a sneaking regard for the objective of making Iran less dependent on foreign powers. For the true believers in the revolution, the objective is an obsession in no way better expressed than through the overthrow of President Saddam Hussein'a regime in Baghdad.

The need for victory in the Gulf war is, however, far more complex than just an expression of national independence. The Shi'ite view of Islam involves not turning the other cbeek but striking back twice as hard. The aggressor is bound to be punished for his sins. To accept peace talks with Iraq wonld be to sit at tba table with "war criminals."

Foreign Ministry officials are fond of drawing Second World War parallels and claiming the same rights to invade Iraq as the Allies did to enter Germany. The only conciliation talks they are interested in would involve discussions on the removal of Saddam Hussein.

The obduracy with which the Iranian regime prosecutes the Gulf war also bighlights the international aspect of the revolution. Khomeini has always made clear that his religious obligation stretcbes far beyond the borders of Iran to encompass all Moslems. In order to prosper, the revolution has to expand and whare better to start than countries with majority Shi'ite populations, notahly Iraq and Lebanon.

For many middle-class Iraniens, the notion appears absurd and can only bring the wrath of world powers upon the country. Yel for tha clerics, who proved most people wrong hy toppling tbe Sbah, nothing is impossible, given enough time aod an unwaveriog commitment.

Whether the revoinlion possesses sufficient of those two qualities is tbe question which all Middle East leaders would like to be abie to answer. Certainly It has proved its durabllity. On its sixth hirthday last month, the regime bad already survived severe domestic political challenges, an external war, a decline in the price of oil, an International arms hoycott, serious disruption to its industry and agriculture, and an exodus of many of its best qualified professionals.

> For the clerics, who proved most people wrong by toppling the Shah, nothing is impossible

Most effective opposition in Iran has been squashed, including, of course, those factions which Initially worked closely with the clergy to remove tbe Sbah. Althougb there is considerable freedom of speech in private, no one actively working against the Government can expect any mercy from men wbo execule in the name of God rather than In defence of a political ideaL This message has been duly absorbed by the population, most of whom are anyway quite unused to the idea of popular political participation.

There is also a notable public reluctance to piunge again into the violent disturbances wbich marked the departure of the Sbah and the first years of the revolution. Iran bas again achieved a aort of stahility and for a nation very much attuned to commerce there are fresh opportunities for financial gain with a regime which defends the role of the private sector.

It has been at least partially reassuring for some Iranians to discover the deep conservatism of many senior clerics and the extent of their desire to preserve mnch of tbe status quo.

The clergy remain the largest landowners in Iran and their personal stake in the countryside bas rendered largely Ineffective all attempts at land reform. Although the levels of personal taxation payable to the state will increase, the principle has quickly run up against vested clerical interests in ensuring steady payment of religious and charitable dues. The support provided for the clergy and the revolution from the financially powerful merchants of the hazaar has similarly served to water down proposals aimed at nationalising foreign trade.

The state structure created after the revolution is specifically designed to prevent political ideas challenging the supreme spiritual leader's interpretation of the Koran. Personal influence with Ayatollah Khomeini still counts for more than the individual authority of President, Prime Minister of Parliament. At each stage of the decision-making process there are checks and balances with Khomeini nominating his own personal representatives to all the important organs of state.

These factors have simultaneously served to create an internal economic inertia wbich is in sharp contrast to the more determined efforts to instruct the young in the purposes of the revolution. Educational processes at all levels have been transformed, with Islamification taking precedence over academic excellence.

How much solace this will be to the impoverished masses of south Tehran and the peasants in the countryside will only slowly emerge. Although Khomeinl has never promised huge economic gains for the supporters of the revolution, the fact that many of them have taken a significant cut in real wages during the past five years could eventually be a telling factor.

The sight of up to 1m Iranians cheerfully celebrating the revolution's hirthday in February suggests, however, that for some time yet the clergy can rely on tbe militancy of part of the population and for a supply of young men willing to carry their commitment to the battlefields of the Gulf war. But the sight of thousands more coffins returning from the latest incursion into Iraq will have to be affset eventually by more than exhortations of faith in eventual victory.

Judging by the extensive nightly television coverage of events in Lebanon, Iran's leadership is looking for its first major export success to that country. The achievement of the Shi'ite population of the south in forcing an Israeli withdrawal is being waved in the faces of all Arab leaders who in the past 35 years have failed to make any progress on the Palestinian issue and who are publically accused by Tehran of betraying a sacred cause. The more recent campaign to force foreign nationala to leave west Beirut closely reflects Iranian attitudes.

The alarm shown by President Mubarak of Egypt and King Hussein of Jordan in flying to Baghdad this week in a gesture of support for President Saddam Husseln emphasises how deeply concerned many Arab leaders bave become at the growth of religious fnndamentalism throughout the Middle East.

More moderate Palestinian leaders on the Israeli-occupied West Bank and Gaza are already acutely aware that an important part of the younger generation is becoming increasingly attracted by the apparent capacity of Islam to challenge established governments. And should economic conditions deteriorate further in countries which are either dependent on oil revenues, or on their indirect association with them, then there are few other political pbilosophies currently available which might appear to answer the frustrations of the masses.

The failure of the Islamic revolution in Tehran would not necessarily eliminate that risk. The Iongevity of the revolution will assuredly increase it. Conversations with elerical members of the Iranian Parliament confirm that having taken power they will not lightly relinquish it. To concede power would be to betray Islam and to admit that it did not offer the way forward to all Moslems.

The extent to which the ambitions of the ayatollahs can be confined within the borders of Iran will meanwhile depend in large part on what lessons have been drawn elsewhere in the Middle East, but particularly in Washington, from the overthrow of the Shah.

The revolution in Iran was essentially reactive. It is today still far more confident of what [illegible] it is for. The politicisation of the Shi'ites of Lebanon was similarly reactive. In the case of Iran, the reaction was greatly fuelled by the pervasive American economic and cultural presence. In Lebanon it has been created by the occupation of Israeli troops. Conclusions should not be hard to draw.

A special team of Financial Times writers has just returned from Iran. Their in-depth reports on the country's economic and social progress will be published as a special survey on Monday, April 1.

Men and Matters

Buffett of Berkshire

While television viewers were pondering what the $3.5bn takeover of American Broadcasting (ABC) meant for the future of "Dynasty," America's favonrite soap opera, Wall Street professionals were wondering bow Warren Buffett, a shy investor from Omaha, Nebraska, came to play such a key role in the biggest acquisition outside tha oil industry in U.S. corporate history.

Buffett advised Capital Cities Communications, the little known but highly ambitious group which bas bagged ABC and its 214 affiliated stations. He is putting up more than $500m to help Capital Cities pay for ABC, and will end us as the biggest investor in the new gronp with a near 20 per cent stake and a seat on tha board.

Buffett, aged 54, is a rarity in corporate America these days. He is a long-term investor who bas carefully grown the book value of his company, Berkshire Hathaway, from $19 per share to $1,110 over the last 19 years.

While corporate raiders like T. Boone Pickens, Carl Icahn, and Irwin Jacobs, specialise in hunting out stocks which will double in value in a burry, Buffett prefers to look for undervalued companies, take a stake, and sit back. Over the years, he has made a fortune by investing in companies, like American Express, when they were down on their luck. He currently has substantial positions in the Washington Post, Geico, the insurance giant, and General Foods.

Forbes Magazine describes him as one of the world'a best financial minds. But Buffett, who owns 38 per cent of Berkshire Hathaway, a New England textile company which be acquired 20 years ago and has transformed into one of the most successful investment vehicles on the stock market, shuns publicity.

He supports nuclear disarmament and population controls—and gives a rare insight into bis investment thinking in Berkshire's annual reports, which have attracted a sophisticated readership. The next one will be out before the end of tha month.

Bank's first

Another notahle first for merchant bankers, N. M. Rothschild: nearly 200 years after it was founded, the bank bas appointed a woman, Kat Mortimer, to the main board.

A hishop's daughter, Ms Mortimer, aged 38, was educated at Oxford where, apart from gaining an MA and BPhil, she was a member of a successful University Challenge team, and known to cricketers as a deceptive spin bowler.

She worked for the World Bank for three years before joining Lord Rothschild's "think tank," the Central Policy Review Staff estahlished in the Cabinet Office by then Prime Minister, Edward Heath.

Under Rothschild's successor, Sir Kenneth Berrill, she worked on the ill-fated report on the Diplomatic Service.

She joined N. M. Rothschild in 1978 as a manager in its asset management division, specialising in macro-economic analysis and consultancy on exchange rales and other international financial issues. She became a director of Rothschild'a asset management subsidiary in 1981.

Last year, she transferred to ber present job with the corporaie finance division. She bas worked closely on projects with the governments of Singapore and Papua New Guinea.

As a member of the natural resources group, she is now mainly involved in putting together financial packages for the development of oilfields and mines.

She has a busy life, too, outside Rotbschild's. She is a director of the National Bus Company, and a leading member of hoth the Institute of Development Studies and the Economic and Social Research Council.

"—at least printing all those green papers will create a few jobs I suppose"

Mobil man

The British oil industry is about to lose its least typical boss. Sir Nevil Macready, managing director of Mobil's UK markeling and refining business, is to relire in June.

Although Macready has spent 32 years with Mobil, be has somebow never quite fitted the Houston-Aberdeen mould which characterises the leadership of most UK offshoots of the big American oil companies.

Great grandson of the actor-manager William Charles Macready, to wbom Dickens dedicated Nicholas Nickieby, and grandson of the commander-in-cbief of the British army in Ireland during the troubles, his pedigree is nothing if not colourful; he started his career with the French aervice of the BBC.

He has made good use of hia theatrical connections in recent years, building np Mobil's sponsorship of the arts, an activity wbich bas continued apace in spite of the company's heavy losses in the cut-throat UK petrol market in the last few years. One of his main activities in retirement will be his chairmanship of tha Crafts Council.

Retirement will also give him the chance to intensify his passion for borse-racing, which was stimulated hy his French grandfather, who owned horses. Few peopla know, however, that Macready himself dabhled in ownership a couple of years ago, takiog a £1,000 share tn a £10,000 hors hy the name of Peta Bella.

Other business

Budgat Day produced an unusual crop of "bad news" stories which might prompt a more suspicious mind than mine to wonder whethar the Chancellor's big day was being used to slip in the "nastiea" as unohtrusively as possible.

Barker & Dobson, makers of Hacks throat lozenges, surprised the city with news of a 1984 loss.

Barratt Developments, the householder, chose its second consecutive Budget Day to announce a drop in interim profits; while BL, the state-owned vehicles group, revealed an increase in its pre-tax losses.

But devil take the suggestion that Budget Day was a good time to release bad news.

"Sheer coincidence," said BL. Barker's cbief executive, Bill Kenyon, said his timing was earlier than planned because of market speculation. Barratt's finance director, Robert James, said the company had chosen Tuesday so that far-flung executives would not have to travel to London over the weekend.

But Barratt is thinkine bard about avolding Budget Day in future.

Observer

ECONOMIC VIEWPOINT: UK BUDGET

More interesting than it looks

By Samuel Brittan

THE BUDGET makes a much bigger stride than generally realised to pricing unskilled and younger workers into jobs. The employees, instead of starting to pay National Insurance contributions of the full rate of 9 per cent at £35.50, will from October start off at only 5 per cent. The employer will have an even greater starting reduction from 10.45 per cent to 5 per cent, the high figure not being reached until £130 per week.

If, on top of this is added higher tax thresholds and the changes in unfair dismissals procedures, there is now a much stronger incentive for workers to seek less congenial jobs rather than remain on the dole and also for employers to hire them.

In some ways it is a left-of-centre Budget, as the changes are paid for in part by abolishing the upper earnings limit on employers' contributions. Employers of more skilled workers could absorb these costs by foregoing one pay round, which would be very sensible except where they face genuine skill shortages, as they now do in important pockets of the economy.

The thrust of the Budget is clearly directed towards the secondary labour market for people excluded from the better paid corporate sector, but who are now to be encouraged to take "low pay" rather than "no pay."

Nor, while one is on specifics, should one underrate the near doubling to 230,000 of the Community Programme. This makes a further stage in recognising that useful work on low pay is better than the dole and that the net cost of such a scheme is much less than the gross.

If voluntary bodies take up quickly the promised funds, they would have a strong claim to a further tranche. The social gain would be increased further and the net cost reduced if the provisions against undercutting union rates and the consequent emphasis on part-time work were eroded.

Emphasis on jobs at low pay is quite consistent with generous treatment of the poor. The clue here is the streamlining and extension of schemes such as the Family Insurance Supplement to households of all sizes where there is an income deficiency.

This whole package will, however, be seriously incomplete if Mr Tom King, the Employment Minister, gets away with following the advice of his civil servants and merely reforming rather than abolishing the Wages Councils which—in contradiction to the whole government strategy fix minimum wages for 2m to 3m workers in "sweated trades."

Psychology is, as always, all important. Even if "reform" could arithmetically achieve most of the gains of abolition, only the latter would have a decisive impact in signalling that cheap labour (when the alternative is the dole) is no longer a stigma.

This is an issue on which the Prime Minister's attitude could be decisive; and if she turns away at this fence, she will be written off by market economists, who are already very *browned off* by her inflexibility on mortgage interest relief and many other special interest group measures.

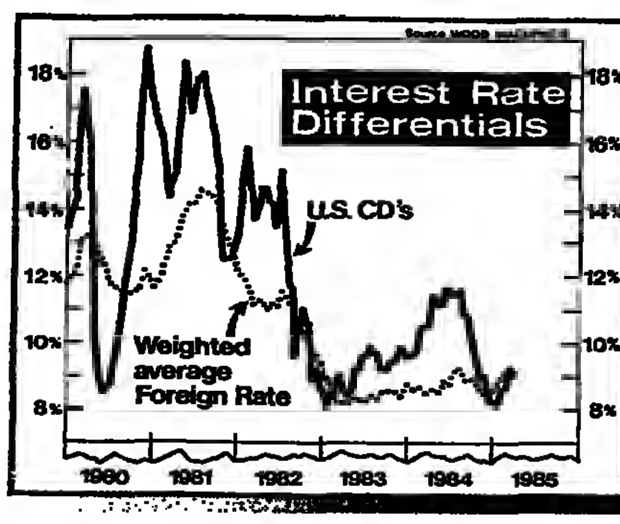
* * *

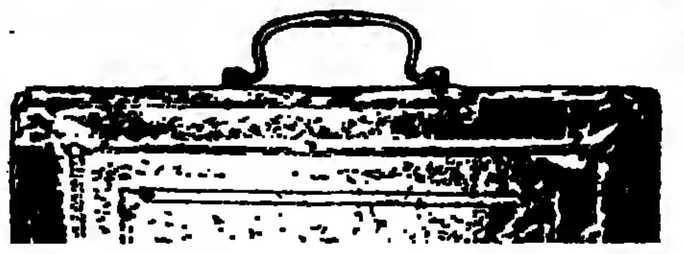
"But supposing we did what the Chancellor told us and settled for lower pay increases, would not people have much less money to spend and demand fall, thus undoing any good for jobs?"

The major achievement of the Budget speech may in the end turn out to be that Nigel Lawson once and for all put this fear to rest. The following key sentence from the speech deserves to be rescued from the hectic scramble of instant Budget night reaction.

"A policy for demand expressed unambiguously in terms of money provides a further important advantage. For it ensures that wage restraint *will* provide more jobs. I repeat today the undertaking I gave the National Economic Development Council last month: the Medium-Term Financial Strategy is as firm a guarantee against inadequate money demand as it is against excessive money demand."

I hope the Chancellor will deliver a speech, *circulated well in advance* for the benefit of those who do not wish to know, spelling out these words. The Financial Statement (Red Book), which is not always read by those who pontificate on the MTFS, spells out clearly that the monetary targets are derived from a view of the appropriate path for nominal demand or Money GDP—8½ per cent this year or 7 per cent after allowing for post miners' strike catch-up—falling very gradually in the years ahead to 5 per cent in 1988-89.





‘There is nothing sacrosanct about the precise mix of monetary and fiscal policies required to meet the objectives of the Medium Term Financial Strategy’

NIGEL LAWSON BUDGET SPEECH 1985

It is thus clear that technical monetarism—pressing on with money supply targets regardless—takes a back seat; and that if money demand is inadequate—whether due to wage restraint or unexpected shifts in the financial system—the targets will give. Indeed a much fought-over sentence in Par. 2.05 of the Red Book explicitly downgrades the broad monetary aggregates—Sterling M3, included.

Because the MTFS has been gradually evolving in this direction over the last five years, the full import of the new wording is not apparent even to everyone in the Treasury. But this is the first time the Chancellor has "come out" with the new post-monetarist approach in relatively unambiguous terms.

There is still left an important argument about whether the official demand objectives are too stringent, as the SDP would presumably argue, or too loose as the zero inflation brigade suggest, or as near correct as to be not worth arguing about, which is probably close to the truth.

The much more important issue remains to improve the breakdown of a 7 to 8 per cent demand growth between real growth and inflation. A wide variety of moves, from eliminating legal union immunities to profit-sharing and workers' co-operatives, would help here (and I still hanker for an emergency tax on pay increases).

Interestingly enough, City economists who focus on financial measures have been saying that policy has been tightened.

Clearly the Government's objectives imply a rise in velocity. But the most likely circumstances in which that rise may not occur would be associated with a strengthening of sterling. In that case, interest rates would surely be cut and the monetary aggregates massaged or overriden.

The Government's key financial weapons are short-term interest rates, the PSBR and funding policy (the latter partly cosmetic). It would be neater and simpler to say that they are monitored entirely for their effects on nominal demand; but there is, inevitably in present circumstances, if not an exchange rate target an informal range of tolerance expressed in terms of the trade-weighted index and the rate against the EMS rather than the headline rate against the dollar.

This informal semi-target is about right. For it recognises that, beyond a certain threshold, sterling depreciation would boost prices and aggravate inflationary psychology, thus imparting an upward boost to Nominal GDP concentrated on its inflationary component.

The position of the threshold depends on factors such as commodity and oil prices, and importers' and exporters' profit margins. Thus anything like a fixed target would be inappropriate for economic as well as market management reasons.

Nevertheless, as a matter of prediction rather than advocacy I would give odds of 3 to 2 in favour of the UK joining the EMS before the next election, which would transfer many of the problems of financial strategy to the European dimension—that is the TEE train to Frankfurt.

The most interesting single sentence of the Budget speech is the hint that the precise mix of monetary and fiscal policies in the MTFS is open to further argument once sterling is in calmer waters.

The argument has been put forward (for instance in Economic Viewpoint on March 14) that in conditions of confidence, as in the U.S. today, a relatively high Budget deficit, offset by tight money, will pull in funds and actually strengthen the currency. It is the mirror image of the argument that a lower U.S. Budget deficit would help the dollar down to more normal levels.

A change in the policy mix may also appeal on more political grounds. A government approaching an election may want to make "supply side" tax cuts even at the expense of the PSBR, so long as any inflationary effects can be offset by tight money.

It is also now clear that any hope that the UK could unilaterally achieve low real interest rates by means of fiscal stringencies was misguided. Real interest rates are determined at a world level to which a national premium or discount may be added in the light of currency fears and prospects.

Unfortunately, the worst enemies of any change in the policy mix are some of its foremost advocates. For many of the latter do not want to offset Government borrowing by tight money at all, and would really like a faster growth of nominal demand. This is a legitimate viewpoint but should be argued directly and not by subterfuge.

Allied to the intellectual double talk is the practical central banking consideration that, in most European countries, except Germany and Switzerland, budget deficits tend to be monetised unless central banks make special efforts to the contrary.

Thus "God protect me from my friends" is a good motto for those who would like a slight move towards Reaganomics in Europe.

Obviously, a change in either the policy mix or the policy aim would be easier to achieve if European governments move in harmony, irrespective of whether Britain is inside or outside the EMS. There should thus be plenty to discuss when the EEC Finance Ministers meet in Palmero after Easter.

Lombard

Forgotten ideal of weaponless space

By Nicholas Colchester

THE WORDS "the demilitarisation of space" have, sad to say, already become deeply suspect in the Western vernacular of arms control. To pose questions about the U.S. Strategic Defence Initiative is bad enough, as Sir Geoffrey Howe, the British Foreign Secretary, discovered last week. He wondered aloud about the chance of the U.S. building a Maginot line in space and was immediately accused of appeasement (of all things). Mere doubts about "Star Wars" already call one's Nato virility into question. But to ask whether orbital space might still be kept free of offensive weapons is to risk being accused of pro-Soviet soft-headedness.

So here goes. It is still not too late to sign a convention limiting orbital space to passive communication or surveillance satellites and severely restricting the testing and deployment of weapons to destroy such satellites. Such a convention would preserve the relative invulnerability of the communication and early-warning systems of both superpowers. It would thus be a formidable confidence building measure, and would promise immense savings in military expenditure over the next century. It is an ideal just as noble as the Star Wars ideal but in total contradiction to it, for while SDI hopes to use orbiting weaponry to keep nuclear peace, this convention would aim to keep all weapons out of orbit.

It is true that first the Soviet Union and more recently the U.S. have been developing weapons to shoot down satellites. Since 1968 the Russians have deployed a sort of space mine which is launched into an orbit close to that of the victim satellite, and which explodes in a hail of pellets when sufficiently close. The Americans are still developing an air-to-space missile. This is launched from an F-15 fighter and homes with remarkable accuracy on to the target satellite to destroy it by direct impact.

Yet neither development means that an orbital weapons convention is beyond hope. Both systems threaten only satellites in low orbit, between 150 km and 2,000 km above the earth. Such low orbit satellites are the satellite equivalent of reconnaissance aircraft; all the U.S. early warning, communication and navigation satellites are in high or geosynchronous orbits of 20,000 km or more and are not remotely threatened by the existing Russian anti-satellite system. In fact a much higher proportion of vital Soviet satellites are in vulnerable orbits than are their more sophisticated U.S. counterparts.

There are thus two possible ways forward. The first, which is currently advocated by the French, is a ban on the testing or deployment of weapons against high-orbit satellites. The second, on which the Soviet Union has tabled a draft treaty at the UN, is a total ban on the testing or deployment of all satellite weapons. The slowness and inflexibility of the present Russian anti-satellite weapon may well make this less of an act of American self-denial than would appear at first sight. Both approaches have the advantage of all further development being verifiable—it is very difficult to conceal the testing of anti-satellite weapons.

Sir Geoffrey Howe's recent speech included a call for another attempt to preserve the invulnerability of satellites. It was a much-needed reminder at a time when the tide of the arms control debate is moving strongly in the other direction. The discussion of Star Wars is all in terms of its credibility as an alternative to the uneasy peace of mutually assured destruction, of its cost and of its possible impact upon arms control talks, the cohesion of the Nato alliance, and the superpower relationship. What has got lost in this argument is the more basic ideal of preventing the arrival of offensive weapons in orbital space before it is too late to do so.

Must the two ideals—that of weaponless space and that of the ultimate peace-keeping weapon in space — remain mutually exclusive? Not necessarily. Research into lasers, particle beam weapons, "rubber mirrors" and the other wonders of SDI can continue on earth. But the pursuit of the SDI dream, with all its attendant uncertainties, must not be allowed to scupper the other ideal, which could be assembled tomorrow and held in place for as long as both sides agree to continue with it.

Letters to the Editor

Rewards for work done

From Mr E. Foxhuntley

Sir, — The review (March 9) by Michael Prowse of "Sterling: its use and misuse, a plea for moderation," contains two statements which indicate a state of mind so far removed from the practical realities of life that one wonders why he is reviewing a book on economics in a newspaper of such standing. His sentence: "But it seems contrary to social justice that the hardworking surgeon should receive so much more than the equally industious car-worker" reveals that he has not the faintest idea of the demands and responsibilities of being a hardworking surgeon. The mental and physical demands of the two occupations bear absolutely no comparison. If he is admitted to hospital and has surgery carried out by someone from the assembly line at Longbridge it would probably sharpen his perception quite noticeably.

At the end of the last paragraph of the review he describes as an absurdity the "natural" rate of unemployment. In a population x, there will always be a number dx who, for various reasons, will be unemployed simply because quite a number of people are practically unemployable. It is by no means an insignificant proportion of the populace and a state of full employment is therefore inefficient and unstable. It is beneficial to society as a whole that there should be a natural rate of unemployment which, in some respects, is a measure of the competition within the economy. It is certainly true that there are some surgeons who are overpaid and would be better employed as car-workers, just as some car-workers would be better employed as book reviewers.

E. T. Foxhuntley.
Miles Lane, Cobham, Surrey.

Legitimate local spending

From Mr D. Franklin

Sir,—Your excellent leader "The case for local democracy" (March 13) and Mr Hollway's letter pinpointed the problem of "legitimate discretionary spending" by councils which had been elected by voters "who don't have to pay the costs themselves."

Only 13m voters out of 31m pay rates. Council tenants make rent and rate payments in one go and when this is not collected, as in Lambeth where the rent debt is now over £12m, it places an increased burden on a decreasing number of payers including businesses which have no vote.

Rate capping may stop some councils from the more lunatic types of expenditure but only a local income tax paid by all voters will make them aware how their rates are spent and only then will local accountability and democracy begin.

D. G. Franklin.
121, Kennington Road, SE1

A laundry at La Hague

From Le Chef du Service des Relations Publiques, Compagnie Générale des Matières Nucléaires

Sir, — David Marsh's report on Mox fuel (February 20) was both well documented and accurate, but we were surprised at the headline which improperly qualified Japanese plutonium as French.

La Hague plant takes in irradiated fuel belonging to power utilities which are customers of Cogema (Japanese power utilities in this instance), proceeds with separating out uranium, plutonium and fission products, and returns these components in their entirety to their owners. At no time is Cogema the owner of the reprocessed materials.

To illustrate the role played by our plant in La Hague, Mr Chevenement, when he was French Minister for Industry, described it as a "laundry": it takes in dirty fuel, cleans it and gives it back to its owner.

At a time when non-proliferation problems are the subject of close study throughout the world, you will understand that we could not agree to a newspaper giving the impression, through wrong headlining, that France is exporting plutonium.

D. Vastel.
2, rue Paul-Doutier BP4,
78141 Velizy-Villacoublay Cedex.
France.

Moving the closure

From Mr E. Bateman

Sir,—As a Lonrho shareholder I beg to move the closure of the Monopolies and Mergers Commission.

E. Hugh Bateman.
2 Howard Lodge,
Mount Sion.
Tunbridge Wells, Kent.

Significance of abolishing British National Oil Corporation

From the Director, Oxford Institute for Energy Studies

Sir,—The decision to abolish British National Oil Corporation has greater significance than any commentator, so far, has cared to admit. The Government has done much more than getting rid of an institution which it had previously weakened and emasculated. In effect it has abdicated its responsibilities for the pricing of North Sea oil.

These moves may be consistent with the tenets of a simplistic free-market ideology; they betray, however, a lack of understanding of the economics of oil, and of the UK economic interest in oil.

The price of oil involves a huge rental element which is appropriated for the most part by the Exchequer in various taxes. Yet this rent could disappear, in part or as a whole, if the determination of oil prices was left to the free operation of strongly competitive market forces. The enormous supply overhang which casts its shadow today on the world petroleum market is working relentlessly to that effect.

There is a clear interest for every oil exporting country to defend this rent if it can. Otherwise the rent will be appropriated by the Governments of oil importing countries (not by consumers like you and me as Mr David Howell wants us to believe), and, in part perhaps, by oil companies.

The UK is a large net exporter of oil. Despite official statements to the contrary, the UK has considerable influence on world oil. Producers' Governments have a duty to protect their oil income with all means at their disposal. They are not in the business of making huge gifts in the form of rent transfers to importing countries through a misguided belief in the virtues of free market forces.

In order to exercise an influence a Government needs a cool head, a policy and means of intervention. The Government has allowed itself to be swayed by such arguments as "We should not help the Organisation of Petroleum Exporting Countries" or "A lower oil price will stimulate the U.S. economy and the UK will reap later on the benefits of higher U.S. imports."

The first argument is emotional. The UK is not being asked to help Opec but to look after its own self-interest which may, at times, coincide with that of other oil exporting countries.

The second argument is unconvincing. Lower oil prices may or may not stimulate the U.S. economy (much depends on U.S. economic policy). Even if they do the benefits of export growth may well go to Japan, the newly industrialised, and other countries rather than the UK.

The UK needs a policy on oil. We have been deprived of a depletion policy thanks to the Varley assurance later extended by Mr Lawson. We have been deprived of the possibility of having a pricing policy by the abolition of a BNOC "term" price. We have been deprived of a proper national oil company, a necessary instrument for counsel, information and intervention, when BNOC was condemned to die on the day of Britoil's privatisation.

A Government aware of the national stakes in oil would have acted differently. It would have explained to backbenchers the issues involved instead of submitting empty, if not frivolous, minutes to the select committee. It would have reclaimed the power to regulate production which Varley surrendered so easily. It would have transformed BNOC into a small, semi-integrated, efficient national oil corporation with upstream interests, some foreign investments and a proper trading capability. Long ago, it would have reformed the oil taxation Act in order to avoid the destabilising "spinning" of oil on the spot market by integrated companies.

The Government has taken the soft option. Ministers are congratulating themselves because there was no immediate reaction from either the market or Opec. The market need not react suddenly. It will adjust in time to a situation in which the UK Government is not an actor. By abdicating its role the Government has extended that area of the world petroleum market where competitive forces work on their own. Now that one of the few remaining institutional pegs has been removed we can be certain that the next oil price crisis will be that much more severe. The costs will be borne by all exporting countries, including the UK.

Opec has remained silent because there is not much to say to a fellow player who has suddenly decided to quit the game. Its silence indicates neither approval nor indifference. It just finds it impossible to comprehend a stance which so blatantly fails to make sense.

Robert Mabro.
29 New Inn Hall Street, Oxford.

FINANCIAL TIMES

Thursday March 21 1985

Lawson to expedite reform of personal taxation

By Max Wilkinson in London

MR NIGEL LAWSON, the UK Chancellor nf the Exchequer, hopes to enact a package nf reforms of Britain's income tax system before the next general election, which must be held no later than 1988.

In his budget speech nn Tuesday, he promised a consultative paper later this year and said there was a strong case for changing the system of personal allowances to "make them more suited to today's economic and social needs."

There would be proposals for taxing husbands and wives separately and allowing them to transfer unused parts of their allowances between each other.

It became clear yesterday that the Chancellor hopes the reforms sketched out in his speech will go significantly further. He wants the review to include fundamental considerations about the integration of social security and the income tax system.

On the assumption that the consultation process will go reasonably smoothly, he hopes to press ahead with legislation in this parliament to take effect before 1990.

It was also made known yesterday that e decision to take Britain into full membership of the European Monetary System (EMS) is nn nearer.

In his budget speech Mr Lawson emphasised the importance of the exchange rate in relation to monetary policy, but yesterday it emerged that the Treasury – and the Chancellor – remain as sceptical as ever that "the time is yet ripe" for EMS membership.

The possibility of a major fall of the dollar with its effects on sterling's value against the D-Mark, is a particular cause of anxiety. At the same time, there is a strong view in the Treasury that Britain can enjoy many of the advantages of full EMS membership without the constraints, through the present policy of "shadowing" the EMS currencies in an informal way.

On the general budget strategy, the indications are that Mr Lawson could have been a little more generous with tax cuts if be had wanted to, but preferred to play safe with his fiscal arithmetic.

He hopes this caution will pay off in substantial room for tax cuts in the next hudget – now pencilled in at £3½bn. This figure is based on an extremely cautious estimate of future government oil revenues and a significant margin for error on the spending side. The reserve for unexpected contingencies in 1986–87 has been bumped up to £6bn.

If only £4bn of this turned out to be needed, and nothing else changed for the worse, Mr Lawson would have enough scope to cut the basic rate of income tax to 25 per cent next year, from the present 30 per cent.

● Mr Francis Pym, the former Conservative Foreign Secretary, yesterday made his strongest attack so far on the current economic strategy. The Government faced criticism from all sides of the House of Commons about whether the budget will lead to a fall in unemployment, Peter Riddell writes.

He warned that on present policies there was no sign that unemployment would fall appreciably for some years.

UK budget reaction, Pages 10–11; Economic Viewpoint, Page 17

Victories on cruise and economy boost Martens

BY PAUL CHEESERIGHT IN BRUSSELS

MR WILFRIED MARTENS, the Belgian Prime Minister of a centre-right coalition, has jumped a major hurdle on the way to the formation of his sixth administration.

When, in the early hours of yesterday morning, the coalition emerged from the Chamber of Deputies with comfortable majority decisions, first, to deploy immediately cruise missiles and, second, on the redefinition of its economic programme, it had set itself on course for election later this year.

The decision to deploy the first 16 of 48 cruise missiles in accordance with the military timetable of Nato was approved by 116 votes to 93, with one abstention.

Government economic policy was approved by 113 votes to 95.

Both issues had been turned into votes of confidence, and political analysts believed the majority on the missiles would be much narrower than it turned out to be. This was the result of intensive pressure on about six Christian Democrats from Flanders, northern Belgium, who were active in promoting the case for a delay in deployment.

In the event there were two Christian Democrat defectors from the Government line, whose absence was compensated for by votes cast by members of minority parties.

There is no doubt, however, that the Belgian missiles debete has left scars among Christian Democrats which Mr Martens will have to work hard to heal. The party has in any case been seen to be losing its grip in its own region – Flanders.

The party leadership has until December to neutralise the effects of the debate if, as the economic programme implies, the coalition with the Liberals is to be extended beyond Mr Marten's fifth administration. The economic programme involves not only a programme running beyond the election to cut official spending, but also tax cuts starting next year.

Opposition from Socialists in both the Dutch and French-speaking regions to the stationing of cruise missiles at Florennes, south of Brussels, came as no surprise. Nor did its continued opposition to the Government's austerity programmes.

With the missiles question now off the coalition's decison calendar, the Government is expected to concentrate on stressing the benefits of its economic programme. It will probably seek to evoke fears of what might happen if Socialists came into government as a means of bandaging Christian Democrat wounds.

There is a strong anti-war feeling in northern Belgium which Mr Leo Tindemans, the Foreign Minister and a senior Flemish Christian Democrat, once conceded that the Government had underestimated.

This feeling has been manifest in Christian Democrat pleas for delay on cruise deployment and the outright opposition of Flemish Socialists to deployment.

UK stock exchange reforms may face strong opposition

BY JOHN MOORE, CITY CORRESPONDENT, IN LONDON

MORE THAN 4,500 members of tha London Stock Exchange are to vote on proposals which will seek to allow banks, financial institutions and other groups to acquire 100 per cent control of stockbroking and stockjobbing firms.

The crucial meeting is set to take place on June 4 and its outcome could influence the course of the financial services revolution in London.

Sir Nicholas Goodison, chairman of the stock exchange, yesterday unveiled a policy document, prepared by the British securities market, which proposes a radical reform of the membership structure and constitution of the exchange

Sir Nicholas said the proposals reflected three principal objectives: "We must enable our members to compete; we must encourage outside houses to come into the stock exchange; and we must find ways in which member firms can raise capital."

There are already fears in the stock exchange, however, that strong opposition might build up to the proposed changes by the smaller firms in the market which have not formed links with outsiders.

Sir Nicholas is to ask the members to vote on the relaxation of the rule which limits outside shareholders in stock exchange firms to a 229.9 per cent stake. A simple majority is required in that vote. On other proposed changes to the constitution a 75 per cent majority of those voting will be required.

In order to bead off possible opposition to the plans Sir Nicholas is to convene informal meetings of members both in London and in the regions to explain the proposals.

Some of the other changes proposed in the stock exchange's document have also caused criticism. In its plans the stock exchange proposes to exempt many individuals whose firms are taking stakes in the securities firms from its examination system.

Some outside institutional investors, major users of the market, are concerned about the stock exchange'a proposal that the examination system is to be relaxed.

As part of the package of reforms the stock exchanga is to create a market in the shares of the stock exchange itself. At present all members hold one share each. These shares are to be divided into five. Existing firms, which are not controlled by outsiders, will have to hold 50 shares, while firms controlled by outside groups will have to own 100 shares. If necessary the stock exchange will issue shares at a price of £2,000 each.

Editorial comment, Page 16; See Lex; Details, Page 19

Britoil to pay $73.5m for U.S. energy territories

BY IAN HARGREAVES IN LONDON

BRITOIL the UK oil company, is to pay $73.5m for a group of U.S. gas-and-oil producing territories, with some exploration acreage.

The seller is Freeport McMoran, an oil and minerals company, which last year embarked on an aggressive expansion in oil and gas in North America. It took on a heavy debt burden to finance its expansion and has now decided to sell some of its newly-acquired interests to Britoil.

For Britoil, the purchase is the final stage in a $160m series of manoeuvres designed to give it a solid production base in the U.S. and a spread of exploration acreage which it hopes to develop into an even larger production business.

In January last year the company bought half the assets of Amax Petroleum for $83m and three months ago Britoil and Amax together paid $16.3m for 2.3m barrels of oil equivalent reserves in Texas owned by Hinkle Exploration. Britoil also bas a joint exploration and production venture in the U.S. with Amerada Hess.

The deal announced yesterday involves Britoil purchasing 25 per cent of the assets bought last year by Freeport McMoran in its acquisition of Midlands Energy.

This consists of 52.6bn cu ft of proven gas reserves, chiefly in Montana, Colorado and Texas. These fields are producing at a rate of 9m cu ft a day and 90 per cent of the gas is sold to a single pipeline company. In addition, the deal brings Britoil 350,000 barrels of proven oil and condensate reserves.

Britoil will also receive a 25 per cent interest in 1.8m net acres of exploration land and a similar stake in two gas processing plants in Oklahoma and Colorado. A 4 per cent stake in a Texan gas plant is also included.

Britoil expects to complete the deal in May and puts the cost of the proven gas reserves at just under $1 – per thousand cu ft – which analysts say is about average for deals of this type.

Following the acquisition Britoil will have U.S. reserves of 18.6m barrels of oil equivalent. It hopes to step up its current production rate of 4,200 barrels per day to 6,500 b/d when the Freeport deal is completed and a development in the Gulf of Mexico in partnership with Amax begins production this summer.

BNOC abolition welcomed, Page 2

SEC in attack on 'poison pill' bid defence

By William Hall in New York

THE U.S. Securities and Exchange Commission (SEC), the watchdog agency for the U.S. securities markets, has attacked tha issue of "poison pill" securities by companies trying to fight off unwelcome takeovers.

In an unprecedented move, the SEC is supporting e dissident shareholder who is challenging a proposed "preferred share purchase rights plan", commonly known as a "poison pill" which Household International, a consumer finance company, has set up to protect itself from hostile takeover bids.

Several big U.S. companies, including Owens-Illinois, Colgate-Palmolive and Crown Zellerbach, have followed Household International's example and adopted similar "poison pill" plans which have the effect of making unwelcome takeovers prohibitively expensive for the bidder.

The Household case has caused widespread interest on Wall Street where several well-known companies have come under attack from a band of increasingly confident corporate raiders. The "poison pill" defence was regarded as one of the best anti-takeover defences and has come under fierce attack by the raiders who claim that it deprives shareholders of their rights and entrenches management.

Mr T. Boone Pickens has described Household's plan as potentially most damaging to corporate America and several well-known financiers, such as Sir James Goldsmith, have argued that it would be overturned by the courts.

Household has been waging a long-running court battle with Mr John Moran, a dissident shareholder, who had challenged its right to issue "poison pill" securities. In January, a Delaware court upheld Household's action but an appeal has been lodged with the Delaware state supreme court.

The SEC, by a majority vote, decided to file a friend of court-brief supporting Mr Moran. This is the first time the agency has intervened in a case involving state law to express the policy behind the federal securities law.

The case is not expected to be heard before the summer. The SEC said that it acted because the effects of Household's action "were so extreme."

While several corporate raiders applauded the SEC's action yesterday, their euphoria was tempered by moves in Washington to outlaw hostile takeover bids.

Senator William Proxmire, the Wisconsin Democrat, introduced a Bill yesterday to stem what he called the "rising tide of hostile takeovers." He said such takeovers were "a cancer on the American business system."

Under his proposal, anyone who controls 15 per cent or more of a U.S. company could not buy any more stock without submitting a formal tender offer. If a majority of the company's independent directors approve the offer it can then be submitted to the shareholders.

Senator Proxmire said that the purpose of his Bill was to give stockholders much more time to decide whether a bid was in the best long-term interests of the company.

"Professional raiders and their hired investment bankers will no doubt weep and wail thet these additional procedures will make it extremely difficult for them to continue their corporate takeover efforts, the senator said.

His comments come only a day after Mr Paul Volcker, chairman of the Federal Reserve, had voiced concern about the potential risks associated with corporate mergers and takeovers wben tha transactions involved an unusual amount of leveraging.

THE LEX COLUMN

ICI's budget footnote

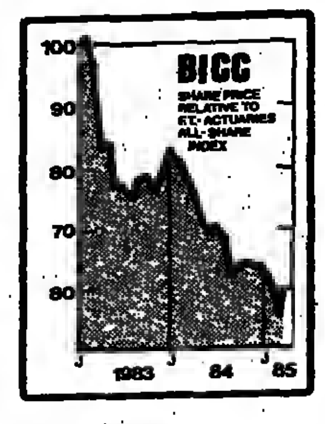
It is amazing what just one sentence in a budget can do. Less than 24 hours after Mr Nigel Lawson, Chancellor of the Exchequer, sat down, having said be would change the Banking Act to allow companies to issue short-term sterling notes, ICI was christening the as yet unborn market through part of a $400m loan facility. The Bank of England was naturally delighted; all its previous attempts to open up the sterling corporate bond market had met with studied lack of interest. If more companies follow ICI, the effect on the money supply figures can only he beneficial.

Yesterday's quick response from ICI – though partly inspired, one imagines, by the excitement of being first through the gates – confirms the accepted wisdom that corporate treasurers are far keener on five- than 25-year borrowing horizons. In fact, the opening of the short corporate bond market seems to benefit everybody – borrowers, lenders, intermediaries and even the authorities.

Commercial hanks may be less happy, watching their monopoly on one- to five-year lending disintegrate. Their only hope of regaining that business is to become intermediaries themselves; which would be no bad thing since it gives them an off-balance sheet fee with no risk. The Bank of England, meanwhile, does not abdicate control, since it has to authorise any use of the new market; and it has shown in other bond markets thet it is occasionally quite prepared to say no.

What banks like Citicorp, which arranged ICI's deal, are clamouring for is a sterling commercial paper market to cover maturities of less than one year – the period where investor interest is strongest. The Bank, understandably, wants to see where the one – to five-year market goes before embarking on anything more ambitious. But there can be little objection to it as long as it is properly supervised. If the clearers complain about their deposit base being ransacked, they will have only themselves to blame.

BICC



For the last couple of years BICC's shares have been stranded in a market no-man's land, having flopped as a growth stock and not yielding enough – currently 6 per cent – to make them attractive to income funds. But at least the slightly improved results for 1984, when pre-tax profits rose by almost 10 per cent to £90m has put an end to BICC's embarrassing slide in profitability, and raises the possibility of a revival in the shares.

In a market that had become used to expecting the worst, and then subtracting something for safety, the 1984 figures were worth a 10 per cent jump in the share price, to 247p. The evidence of tighter management – and prospects of loss elimination in the current year following closures in the U.S. and in the UK and a disposal in South Africa – was encouraging; for the present there are reasons to look on BICC as a recovery stock of better pedigree than the average. Yet longer term growth does look limited, as success in glass fibre will have to compensate for decline in copper cable – throwing a lot of weight on BICC's electronics stable and its stalwart construction division.

S. R. Gent

The unhappy time Marks & Spencer had in womens' wear sales last autumn is still sending shock waves through the accounts of Mark's suppliers. The first-round effects of slower ordering from Baker Street are easily recognised in swelling stocks, higher interest costs and thinner operating margins; as Marks tries to fight back by holding its prices, the spring season is bringing on a second round squeeze, in which garment suppliers have to absorb rising fabric prices. The latest victim, S. R. Gent, has been more thoroughly shaken than most in the half year to December – even judging by the stated fall in pre-tax profits, down to £900,000 from £2.2m in 1983.

Gent'a operating margin fell by three points, to a far from luxurious 2.7 per cent, a humbling experience which appears to have been fairly thoroughly discounted in the market some time since. Shares which had dropped by a third in recent months slid only another 4p yesterday, to 136p. However, the market presumably had not bargained for Gent's intriguing way of stretching its earnings to look like cover for the dividend.

An extraordinary item of £236,000 represents clever cutting, at best. The cost of putting on fashion shows, training staff and moving a design studio is the kind of thing that most companies put above the line – as Gent presumably would have done in a better year. Gent's bottom line deficit, after all, is anything but stylish.

Stock Exchange

While the flurry of new issues in the London market bas whetted the appetite of the public for share ownership, yesterday's offer for sale from the London Stock Exchange is likely to tempt only the professional investor.

As a long-established family concern, the company is understandably keen to reward those members who helped build up the business but are unready or unwilling to follow it into new areas. Yet the fact no person outside the family may own shares – and all individual members must sit an examination – will hardly encourage wide ownership; while the ceiling price of £2,000 makes the 1p shares too heavy to be easily marketable in normal circumstances and all but rules out a healthy aftermarket.

The proposal to tap the market whenever shares look like going to a premium – and the limited voting rights – would sink the issue in any well-regulated stock market.

Yet the offer document is not wholly without interest. The ceiling of £2,000 may, it seems, be subject to upward revision, and the small print on Page 6 holds out the tantalising prospect that the company might be broken up to realise its asset value. A speculative investment.

ICI

Continued from Page 1

could produce even lower rates available than those in the UK.

Citicorp was chosen to lead the deal because it is a market leader in the Euronote field. "Their terms and their general position were suitable for us," Mr Harrison said.

Like nther international banks Citicorp has been pressing the Bank of England to open up the market for sterling Euronotes though Britain's central bank has been wary

New bid to end car emissions row

BY PAUL CHEESERIGHT IN BRUSSELS

SIG Alfredo Biondi, the Italian Environment Minister, yesterday embarked nn a strenuous round of personal diplomacy in an effort to find a collective EEC approach to the introduction of strict new car exhaust emission standards.

He approached each national delegation in the European Commission in an effort to establish what emission standarDs would be acceptable, what timetable should be set for their introduction and what fiscal incentives would be appropriate.

But key differences remained between Britain and West Germany, the one wanting separate emission standarDs and a gradual timetable, the nther seeking a rapid push towards strict U.S. Emission standards.

Private talks between Mr Martin Bangemann, the West German Economics Minister, and Mr William Waldegrave, the UK Environment under7secretary, earlier in the day had brought the two sides no closer, officials said.

During the afternoon, however, Herr Bangemann evidently put forward an idea which the British saw as a possible way of resolving differences.

Tha idea was that instead of a single absolute standard, the acceptable levels for noxious exhaust emissinns would cover a range.

It would be up to individual countries to set their own standards within that range: provided a car met a standard within the range it could be sold anywbere in the community.

British interest rates cut as sterling climbs

Continued from Page 1

"flash forecast" for U.S. GNP growth in the first quarter of this year.

Many dealers were predicting that if, as expected, the forecast showed growth at an annual 4 per cent or above, the dollar could start to rise again. They cautioned that slower growth could trigger further heavy selling of the U.S. currency.

The dollar closed in London at DM 3.2555, down 1.85 pfennigs from its previous close but up nearly 2 pfennigs from the end of Tuesday's trading in New York. In early New York trading yesterday it rose to DM 3.27.

The gold price, which soared earlier in the week, also suffered wild swings yesterday. It rose at one point to just below $350 per ounce before tumbling nearly $30 to end the day in London at $322.5, up $4.5

World Weather

		°C	°F			°C	°F			°C	°F			°C	°F
Ajaccio	R	9	48	Dubrovnik	F	13	55	Malaga	C	16	61	Salzburg	S	5	41
Akrotiri	C	16	61	Faro	F	16	61	Malta	S	17	63	Seoul	C	16	61
Algiers	T	9	48	Florence	F	12	54	Manila	S	34	93	Singapore	S	32	90
Amsterdam	Sn	2	36	Frankfurt	C	3	37	Miami	S	19	66	Stockholm	S	2	36
Athens	S	15	59	Funchal	S	18	66	Milan	S	10	50	Strasbourg	S	4	39
Bahrain	C	27	81	Geneva	F	2	36	Moscow	C	2	36	Sydney	C	25	77
Bangkok	S	34	93	Gibraltar	—	—	—	Munich	S	0	32	Taipei	C	17	63
Barcelona	D	9	48	Guernsey	S	3	37	Nairobi	—	—	—	Tangier	C	14	57
Beirut	S	18	64	Helsinki	C	1	34	Naples	S	11	52	Tehran	—	—	—
Belgrade	C	6	43	H. Kong	C	20	68	New Delhi	S	29	84	Tel Aviv	S	18	64
Berlin	C	3	37	Innsbruck	S	7	45	New York	S	6	43	Tenerife	—	—	—
Biarritz	S	9	48	Inverness	F	3	37	Nice	C	12	54	Tokyo	C	11	52
Blackpool	S	3	37	Istanbul	F	5	41	Oporto	D	10	50	Toronto	F	0	32
Bordeaux	S	7	45	Jersey	S	3	37	Oslo	C	0	32	Tunis	C	17	63
Brussels	C	2	36	Jo'burg	S	27	81	Paris	F	3	37	Valencia	F	17	63
Budapest	R	9	48	Las Palmas	F	20	68	Prague	Sn	1	34	Venice	S	9	48
B Aires	S	21	70	Lima	S	26	78	Reykjavik	F	5	41	Vienna	F	2	36
Cairo	S	22	72	Lisbon	S	12	54	Rio de J'o	C	29	84	Warsaw	C	4	39
Cape Town	—	—	—	Locarno	F	9	48	Rome	S	10	50	Zurich	S	1	34
Caracas	C	28	82	London	F	1	34								
Casablanca	—	—	—	Los Angeles	S	21	70								
Copenhagen	C	1	34	Luxembourg	C	1	34								
Corfu	S	12	54	Madrid	F	11	52								
Dublin	F	4	39	Majorca	F	8	48								

Readings at mid-day yesterday.

C–Cloudy D–Drizzle F–Fair Fg–Fog R–Rain S–Sun Sl–Sleet Sn–Snow T–Thunder

EEC 'near broad agreement'

Continued from Page 1

said there was growing evidence that on both sides there was a determination to bring the negotiations to a very early conclusion.

A more pessimistic interpretation was given by Mr Peter Barry, the Irish Foreign Minister, who said that the negotiations on fish were still very difficult on questions of quotas, the numbers of boats, and the timing of Spanish access to the "Irish box" of coastal waters extending up to 50 miles off the Irish coast.

"This is a major concern for us," he said. "Our relations with the Spanish as regards their recognition of our rights have not been the happiest. Our industry needs the protection of the Irish box for a considerable period."

He said that Spain would only accept a maximum five-year exclusion period, whereas Ireland was seeking 10 years' exclusion followed by gradually increasing access over a further five years. That plan has been ruled by the Italian presidency as impossible to sell to Spain.

Portugal is also seeking a deal to keep the huge Spanish fleet out of its own traditional fishing waters.

Questions of detail concerning Spanish agricultural production of wine, fruit and vegetables, re-emerged yesterday as difficult points at issue. Spain is seeking a more generous deal for its citrus

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SECTION II – INTERNATIONAL COMPANIES

FINANCIAL TIMES

Thursday March 21 1985

Triangle to buy NVF's National Can stake

By William Hall in New York

MR VICTOR POSNER, the Miami financier who has been stalking National Can, the third biggest canmaker in the U.S., for five years, has agreed to sell his 36 per cent stake to Triangle Industries, a small New Jersey-based industrial conglomerate, which began a $418m bid for National Can yesterday.

NVF, which is controlled by Mr Posner, has agreed to tender its 3.6m National Can shares to Triangle but has retained the right to tender the shares to a third party if a higher offer is made. Under the terms of the agreement, NVF has agreed to pay Triangle up to $1.50 a share of the excess of the price in any offer over $41 a share made by another party. Triangle's offer is for $41 a share.

Last week, Mr Posner's Evans Products filed for protection under Chapter 11 of the U.S. bankruptcy code and there have been widespread reports that some of the other companies in his sprawling empire are facing financial difficulty. As a result, there had been mounting speculation that he was preparing to withdraw from the National Can chase.

Meanwhile, Mr Carl Icahn, the Wall Street financier who has made a profit of close to $100m after a hostile raid on Phillips Petroleum last month, has bought 9.1 per cent of National Can, and appears destined to play a key role in National Can's battle for survival.

In a filing with the U.S. Securities and Exchange Commission, Mr Icahn said the National Can shares had been bought as an arbitrage position. He had considered making a tender offer but has no present intention of doing so.

Triangle Industries, which has a stock market capitalisation of $44m, is a minnow compared with National Can, which earned $43.1m on sales of $1.9bn in 1984. National Can shares rose $⅛ to $41⅛ in early trading yesterday.

PRICE CUTS AND FLAGGING SALES

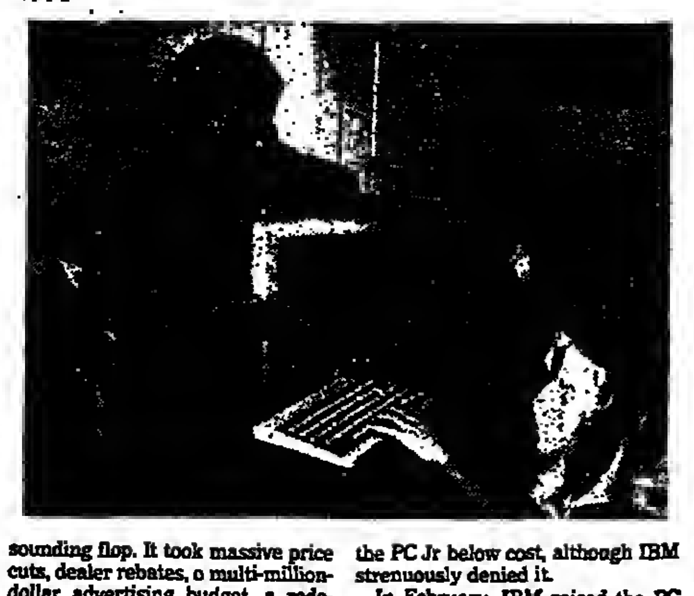
IBM leaves the PC market guessing

BY LOUISE KEHOE IN SAN FRANCISCO

IBM HAS signalled a new round in the personal computer markets battle by beating a hasty retreat from the home computer segment. Competitors and customers were surprised and confused by IBM's sudden decision to end manufacturing of the PC Jr home computer next month.

Competitors, while not mourning IBM's apparent defeat in the market, were unsure whether to celebrate or fear the aftermath of the big company's decision.

The immediate effect might be to give a much needed boost to Apple Computer, IBM's chief competitor. Apple declined to comment on the IBM move, but the company is keenly aware that competition from the PC Jr has caused many of the current hardships that have forced it to shut its factories for a week.



The PC Jr represented 3 to 4 per cent of U.S. retail sales for personal computers until last September but rocketed to 17 per cent of the market in December when IBM reduced the price of the computer. According to InfoCorp, of Cupertino, California, a market research organisation, PC Jr sales grew largely at the expense of the Apple II.

The PC Jr was introduced in November 1983 at a price of over $1,600 but the much heralded "Peanut" was quickly recognised as a resounding flop. It took massive price cuts, dealer rebates, a multi-million-dollar advertising budget, a redesigned keyboard and a direct mail campaign to 20m U.S. households to rescue the product.

IBM sold about 265,000 PC Jrs last year but its profits on the home computer were marginal. By Christmas 1984, the home computer was selling for under $800 – less than half its original price. Competitors complained that IBM was selling the PC Jr below cost, although IBM strenuously denied it.

In February, IBM raised the PC Jr price to $1,400 and, InfoCorp says, "killed sales." The products market share has now fallen back to 4 per cent. Apple II sales have, however, increased only slightly, according to Apple.

Now, competitors and retailers alike are worried about what will happen to the hundreds of thousands of PC Jr units that they believe IBM still holds in stock. A "fire sale" of the units might cause further disruption, delaying any advantage that Apple Computer might feel from the withdrawal of products and affecting sales of other home computers such as those offered by Commodore International.

There are also industry rumours of a new IBM home computer. Mr Norm de Witt, a personal-computer industry analyst at DataQuest in San Jose, California, predicts that IBM will launch a $800 to $900 home computer in time for Christmas.

Other analysts expect IBM to reduce the price of its standard IBM PC, which currently sells for about $2,000. The demise of the PC Jr may be closely connected with the widely rumoured introduction of a new IBM personal computer, know as the PC-2, expected in April or May. Yet another theory links the withdrawal of the PC Jr to the April introduction of an IBM portable personal computer.

The decision to discontinue the PC Jr is also widely seen as another step in IBM's efforts to rein in its maverick entry level systems division, which produces personal computers. After the recent reorganisation of the division, which lost control of personal computer sales, Mr Philip Estridge, president of the entry level systems division, was reassigned to a corporate staff position last week.

Although Mr Estridge received much of the credit for creating IBM's $5bn personal computer business, he was also held responsible for the troubles surrounding the PC Jr and supply difficulties that have severely curtailed sales of IBM's latest "PC AT". IBM's corporate management has reportedly been highly embarrassed by the widespread publicity surrounding the PC Jr. Industry analysts also believe that the personal computer division has built up an unacceptably high $1.6bn worth of parts inventory because of the difficulties of predicting personal computer sales strengths.

Although IBM's withdrawal from the home computer market highlights the same difficult market conditions that have caused Apple Computer's current hardships. IBM's ability to withdraw the PC Jr without any anticipated financial impact upon the company clearly demonstrates IBM's superior strength. Apple Computer cannot afford such failures. Last year, Apple earned well over half of its profits from sales of the Apple II, which directly competed with IBM's PC Jr.

BankAmerica debt ratings cut by Standard & Poor's

BY OUR FINANCIAL STAFF

STANDARD & POOR'S the U.S. credit rating agency, yesterday lowered its ratings for BankAmerica's debt because of falling earnings at the West Coast bank holding company.

S & P said the rating changes reflected "the decline in the company's earnings and profitability over the past few years due to large loan loss provisions and a high level of non-interest expenses."

It added: "BankAmerica has internally generated capital at a low level during a period when increased capital demands are being made by regulators."

New ratings are: senior debt – single-A-plus (double-A-minus); subordinated debt – single-A (single-A-plus); preferred stock – single-A-minus (single-A).

● First City Bancorporation of Texas, a Houston-based multi-bank holding company, disclosed that internal controls and lending policies at three of its largest banks were deemed inadequate by banking regulators.

First City, one of the state's biggest energy lenders, said in a one-paragraph footnote in its annual report that the U.S. Comptroller of the Currency took disciplinary action against two of its member banks to ensure proper recognition of problem loans and maintenance of adequate loan-loss reserves. The Federal Reserve Board took action against the third bank.

The three banks are First City National Bank of Houston, First City Bank of Dallas and First City National Bank of Midland, Texas.

The regulators' action is likely to affect First City's bond ratings, according to Mr Frank Anderson, a banking analyst with Weber, Sale, Hall & Associates of Dallas. Other Texas energy lenders whose loan portfolios have deteriorated in the recent drilling slump have had similar problems with regulators.

Komatsu U.S. plant set to open next year

BY OUR FINANCIAL STAFF

KOMATSU, the Japanese earth-moving equipment manufacturer, expects to begin production as early as spring next year at its new plant in Chattanooga, Tennessee.

The Japanese group said last month that it was "in the final stages of negotiating purchase of the factory, for which it has now signed a $3.5m contract. Start of production will make Komatsu the first Japanese concern to produce construction machinery in the U.S.

Komatsu said yesterday that initial plans called for the "machining of certain parts and the assembly of certain products." Operations would then be expanded to cover construction and industrial machinery.

If production grows as planned, the new plant should generate at least 250 jobs and annual sales of about $160m by 1988. Cumulative investment in equipment for the plant will reach about $18m by that year.

Komatsu said it had not completed arrangements for financing the plant, but it was optimistic that everything would be resolved in a few months.

The company said production in the U.S. would provide a direct line to customers and help shorten delivery time of machinery and parts to more than 70 U.S. distributors. Komatsu has been locked in a fierce sales battle with Caterpillar Tractor, the world's largest construction machinery group.

Mexican oil earnings hit record level

BY DAVID GARDNER IN MEXICO CITY

MEXICO, the world's fourth largest oil producer and second biggest foreign debtor, has for the first time in a decade announced a fall in its proven oil resources.

Though the drop is only small – from 72.5bn barrels to 71.75bn barrels – Pemex, the state oil monopoly, warns that more than two so-called "giant" fields would have to be discovered each year in order to keep pace with current rates of depletion.

Pemex has also announced record net earnings of 945bn pesos ($5.25bn at 1984 average exchange rates) on sales of P3,700bn. Last year, Pemex earned P803bn on sales of just under P2,500bn. Foreign sales were $16.6bn in 1984 – 69 per cent of Mexico's export revenue – against $16.16bn in 1983.

Sr Mario Ramon Beleta, director-general, said Mexico's export policy had been open and disciplined in a difficult year for the international oil market, and had contributed to maintaining price stability. In "an example of transparency," he said, Mexico had sold all its crude to established term customers at official prices.

● Petrobras, Brazil's state-run oil monopoly, has made an "extremely promising" oil discovery in a 125 sq km area under exploration 100 km off the coast of Rio de Janeiro, Ann Charters writes from Sao Paulo.

However, the oil has been discovered at depths that require new technology for commercial exploitation and the company said two more drillings were needed to confirm the importance of the find. If initial projections are correct, the site could put Brazil well on the way to self-sufficiency, given current consumption levels.

Petrobras also reported 1984 earnings of 1.2 trillion (million million) cruzeiros, about $656m at an annual average exchange rate, up 380 per cent in nominal terms over 1983's profits of Cr 313.8bn and well ahead of last year's inflation rate of 224 per cent.

Bavarian bank holds dividend

By Jonathan Carr in Frankfurt

BAYERISCHE Vereinsbank, one of the biggest West German banks, proposes to pay an unchanged dividend of DM 11 ($3.35) per DM 50 share for 1984, after holding net profit at DM 121m compared with DM 120m in 1983. DM 20m is being added to reserves.

Total assets of the parent bank rose by 11 per cent to DM 72.5bn during the last year, while those of the group were up by 9.4 per cent to DM 124.2bn.

John Moore reports on London Stock Exchange's plan for reform

Rules tailored for a new era

FAR-REACHING changes in the membership and constitution of the London Stock Exchange were yesterday detailed in a 56-page policy document.

Sir Nicholas Goodison, chairman of the stock exchange, said: "Central to the changes is the imperative need to attract business to the stock exchange. It is no good maintaining or putting up barriers, especially in a country where there is no monopoly of business in securities."

Sir Nicholas said that the changes aim to provide all members and member-firms with a means of access to adequate capital resources and to maintain a reliable regulatory framework and unity within the stock exchange community. "All of these are necessary aids to the support and expansion of members' businesses and an increasingly competitive industry."

Many of the changes, he said, follow naturally on the commercial developments of recent years, "and it would be wrong to exaggerate their importance. But some of them are far-reaching."

The main change centres on the relation of the rule which limits any one outside shareholder holding more than 29.9 per cent in a member-firm. From March 1986, outsiders will be able to hold 100 per cent of stock exchange brokers and stockjobbers.

In the document the stock exchange council says that it proposes to amend the rules in due course to enable up to 100 per cent of a member firm to be owned by a single non-member.

The document says: "On the assumption that minimum commission scales will be abolished (on securities transactions) in October 1986 and that the new dealing systems will come into operation at the same time, the effective date for the change of rule is likely to be March 1986."

This date has been chosen because stock exchange firms must be given adequate time to complete their operational arrangements and to put in place their organisational structures for the new market. But the document adds: "To delay change until the very last moment would place member firms in an unfavourable competitive position compared with organisations already experienced in dual capacity trading, which may wish to enter the stock exchange."

In agreeing on the date for permitting 100 per cent ownership the stock exchange council is conscious of the general risk that single capacity might not effectively be maintained during the transitional phase to dual capacity.

"The council has a responsibility to market users to ensure that the market continues to function fairly and effectively, and must deal with any threat to the orderly continuance of the single capacity system (which separates the functions of stock broking and stock jobbing) until it is replaced. Appropriate undertakings will be required of merging firms. These safeguards will be policed by the surveillance division and enforced by the council," it says.

In order to permit outsiders full access to the stock exchange its constitution is to be changed.

The council has decided that existing 5p shares in the stock exchange itself, one of which is held by all members, should be split into shares of 1p and made transferable.

Each existing firm will be required to acquire at least 50 shares or, on application to the council, such smaller number as the council may allow on grounds of size.

Corporate members

Dispensation will normally be made available for partnerships with fewer than 10 general partners; for unlimited corporate members with fewer than 10 shareholders; and for limited corporate members of comparable size, as measured by reference to their chargeable revenue, staff and minimum liquidity margin. The reduced requirement for smaller firms will be on the basis of five shares for each general partner or shareholder member.

If one or more outside groups acquire more than 50 per cent of an existing member firm it would be required to hold a further 50 shares. "This requirement might be reduced by the council in exceptional circumstances."

Similarly, new entrant firms will be obliged to acquire at least 50 shares and, if owned as to more than 50 per cent by one or more non-members, a further 50 shares. These requirements might be reduced by dispensation in exceptional circumstances, subject to review by the council from time to time. New entrant firms will be required to obtain their entire share requirement in the market or from the stock exchange.

If the parent company of an outside group is a member of the stock exchange it will only need to hold a total of 100 shares even if it owns more than one securities firm.

The stock exchange will make extra shares available if required at £2,000 per 1p share. This price will be reviewed by the council from time to time in the future. The shares will be split and become transferable on January 2 1986.

The cost of participating on the stock exchange will change. From a date to be decided in 1986 there will be two rates of general service charge payable to the stock exchange to finance its operations. The higher charge will be paid only by firms which are owned 50 per cent or more by outside groups, the lower by other firms.

No firm will be liable to pay the higher rate charge for more than five years. The council "does not expect higher rate charges levied upon any incoming new firm to amount to more than £500,000 over the lower rate during the five years. An existing firm liable to pay the higher rate will not incur a charge unless its revenue increases from best recent levels."

Other changes are:

● A new category of member of the stock exchange is to be created called "registered representatives." An employee of a member firm, who in the course of his duties has contact with any client or prospective client in carrying out deals on behalf of the firm must be a registered representative;

● Any person within a stock exchange firm who wishes to exercise responsibility for, or to have any control of, any separately identifiable area of business activity within a firm, or of any organisational grouping of registered representatives will be required to be a member;

● The council believe that it is appropriate to make some adjustment to the examination requirements for membership. From 1986 two papers will be set derived from the existing stock exchange practice and technique of investment subjects. The present syllabus will be changed;

● The stock exchange council says that the "Bank of England's paper of November 1984 on the future structure of the gilt-edged market stated that the Bank intends to confine its dealings to market makers who are stock exchange member firms. The council will accordingly admit such market makers to corporate membership of the stock exchange."

● In admitting foreign companies to control British securities firms on the stock exchange, it would pay special regard to the freedom granted to member firms to trade in securities in the country in which the head office was situated.

● A majority of the board of limited corporate members must be partners of the stock exchange. In the case of partnership firms, all partners must be members. Anyone who can commit the firm in market dealings or who can give advice to the public on behalf of a firm will have to be either a registered representative or a member. The firm will have to be a separately constituted and capitalised entity, conducting its business in the UK and Ireland under the rules of the stock exchange, using the central settlement systems.

● The requirement that an owner of 29.9 per cent of a stock exchange firm operating in one particular function may not acquire more than 5 per cent of a member firm operating in another function "is operating to the disadvantage of both member firms and investors."

The council proposes to lift the 5 per cent permitted percentage and to permit investments of up to 29.9 per cent to be taken irrespective of an investor's other investments in member firms. The council will also permit broking and jobbing firms to make contractual arrangements with each other for future co-operation, amalgamation or takeover which can be effective from the date that 100 per cent ownership is permitted;

Personal liability

● Members in limited corporate member firms will be allowed to trade with limited personal liability, once non-members were permitted to acquire a majority of the capital of a member firm;

● New capital and liquidity margins requirements will be introduced for firms trading as principals or market makers and existing arrangements for all firms will be reviewed and extended;

● Arrangements will be proposed for the development of the Commission Sharing Registers, for a new category of clearing firm and for the regulation of substantial investors in member firms.

An extraordinary general meeting of members has been called by the stock exchange for June 4 at which they will be asked to vote on the proposals. A simple majority of those voting will be required for the relaxation of the 29.9 per cent rule, while the constitutional changes will require a 75 per cent majority.

● The stock exchange is maintaining its compensation fund. The council has decided that the holder of an interest in a member firm in excess of 29.9 per cent together with any associated company should be excluded from its principal transactions in the event of the failure of a member firm in which it has invested. There will be a limit of £250,000 per claimant in respect of each failure on payments from the compensation fund.

VONTOBEL EUROBONDINDIZES

WEIGHTED AVERAGE YIELDS
PER 19 MARCH 1985

	INDEX Today	Last week	% Year's High	Year's Low
US$ Eurobonds	11.85	11.70	11.93	10.85
DM (Foreign Bond Issues)	7.57	7.51	7.62	7.01
HLF (Bearer Notes)	7.71	7.62	7.89	6.83
Can$ Eurobonds	13.27	13.24	13.41	12.21

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INTL. COMPANIES & FINANCE

Hong Kong aims for wide ranging bank regulatory reforms

BY DAVID DODWELL IN HONG KONG

HONG KONG'S Banking Commission is entering the final round of consultation with locally-based banks on wide-ranging reforms intended to improve regulation. The aim is to prevent the recurrence of banking scandals which have undermined confidence in the commission's effectiveness in monitoring the territory's critically important banking sector.

After two meetings last week in which the commission consulted 40 leading bankers on five discussion papers outlining present weaknesses, wider discussions are about to begin, at the end of which new banking laws will be drawn up.

These are likely to involve banks making more detailed statistical returns, closer contact between the commission and bank auditors, new liquidity measures, and a more direct measure of banks' capital adequacy.

Concern first arose in 1982 over the ineffective way in which the commission was monitoring emergent problems. This followed the collapse of Dollar Credit and Financing, a local deposit-taking company. Reforms became inevitable when the Hang Lung Bank had to be rescued by the Hong Kong Government in October 1983.

Inadequate protection

A team headed by Mr Brian Gent from the Bank of England's banking supervisory department concluded in a secret report completed in April last year that the commission was not adequately protecting bank depositors. This was because of a preoccupation with technical breaches of the Banking Ordinance while failing to make wider judgments about the strength of banks.

Since the report was completed Mr Colin Martin, Banking Commissioner since 1971, has been replaced. Mr Richard Farrant, a member of the Bank of England's supervision department, has been sent on loan to the commission for two years as an adviser.

Mr Robert Fell, who succeeded Mr Martin as Banking Commissioner in October, said soon after his appointment: "With or without the Bank of England report, the Hang Lung Bank collapse was a watershed. The Government had to pick up the tab because in a modern economy you cannot just walk away from a bank failure.

"Banks are in a privileged position, and because of that have to act in a particular way. The authorities have the right to know more, and a laisser-faire attitude no longer works," he added.

The reforms being debated seem so far to have won broad support from the territory's bankers, even though they give the commission wider powers. Sir John Bremridge, Hong Kong's Financial Secretary, said in his budget speech last month: "Supervision needs to be more flexible and discretionary, provided that government officials are not endowed with too much unfettered power."

In one of the discussion papers circulating with bank heads, the commission claimed there is "a real doubt whether a rule-based system remains the best way of reconciling the need to have a watchdog for the depositors' interests with the desire strongly felt in Hong Kong for a free and competitive market place for banks."

It said banks facing difficulties had been able to meet liquidity requirements "until near the point of final collapse," often through circular flows of funds which brought "no genuine liquidity benefit." As a result depositors have had "little effective protection."

The empirical requirements currently in operation make no allowance for "the very considerable differences in quality of management" and cannot cope with the wide diversity of banks operating in Hong Kong, it says. The territory, estimated to be the world's third largest financial centre, has over 140 locally registered banks and just under 350 deposit taking companies.

In challenging the present system, the commission is suggesting that it be permitted to make judgments about the

Sir John Bremridge (left) and Mr Robert Fell—two men at the centre of the Hong Kong banking consultations.

capabilities of banks. Those thought to be well managed will be "free to pursue their business with minimum requirements of capital and liquidity." Banks judged to have weak management would be supervised much more closely than is at present possible.

Discussion is focused on four major areas of reform:

The monthly statistical return: The commission describes present data as rudimentary, and useless as a means of monitoring profitability, larger single risk exposures, and possible future cash flows." A more detailed return is being proposed, perhaps on a quarterly basis.

Examinations and audits: More detailed statistical returns would lessen the need for frequent bank examinations, and increase the importance of the bank's external audit. The commission is seeking closer contact with auditors, and more reliance on "the supervisory process on external audit." Auditors should be encouraged to test management control and accounting systems, and recommend improvements.

Measurement of liquidity: The commission complains that there is "little consistency of approach" in measurements of a bank's need for cash, that no account is taken of sources of cash other than liquid assets, and that it is "very easy indeed" to create illusory liquidity. It points out: "Recent problems in banks have been caused by severe weaknesses in lending or investment activities rather than liquidity per se, "and it questions whether statutory liquidity requirements are necessary at all.

Capital adequacy: A recommendation of the Bank of England team a year ago was that a more direct measure of capital adequacy should be introduced. This would bring the benefit of setting against capital available "some estimate of the risks of losses being sustained, and their quantum." A "risk assets ratio" is proposed, perhaps of 10 per cent.

One area of controversy is how this would apply to international banks which operate subsidiaries in Hong Kong with small capital bases. Such subsidiaries take on liabilities greatly out of proportion to their capital base, and this is allowed because of the implicit backing of the overseas parent.

In calculating the appropriate ratio for such subsidiaries, an estimate would have to be made of the capacity of the subsidiaries in the light of such implied parental backing.

Basis for discussion

The commission has not yet made it clear how long consultations will continue. It has been at pains to emphasise that the papers are a basis for discussion, and nothing else. There have nevertheless been indications that the administration is aiming to draft new banking laws by the autumn.

One fascinated participant in the debate must be Mr Zhang Xueyao, the general manager of the Bank of China, who was invited only last month to join Hong Kong's Banking Advisory Committee, the influential body of bankers, businessmen and top government officials who advise the Governor on banking policy.

With his background in the mainland's conservatively-managed bank, one must assume he strongly approves of improved regulation. One can only puzzle at whether he feels there are lessons to be learned by China.

Asian Dresdner lifts payout and earnings

By Jonathan Carr in Frankfurt

DRESDNER South East Asia (Dresea), the Singapore-based subsidiary of the Dresdner Bank group of West Germany, expects pressure on earnings this year after boosting profits and raising its dividend in 1984.

Dresea, which carries out merchant banking activities throughout the South-East Asian region, warned of "unsuitably" lower interest margins and commission earnings in a "sensitive environment of risk."

The Dresea report follows word that the European Asian Bank, 60 per cent controlled by Deutsche Bank, is setting aside bigger risk provision for 1984 to cover possibles losses, mainly on business in Taiwan.

Dresea says that it is raising its dividend from 10 per cent to 12 per cent for 1984 on nominal capital of DM 87m, after boosting after-tax profits by DM 10m to DM 43m ($13m).

Dresea noted that it intensified its primary and secondary capital market activities throughout 1984, and opened a representative office in Hong Kong at the start of this year.

Total assets in dollar-related local currency terms were virtually unchanged in 1984, but increased in German currency terms from DM 5.5bn to DM 6.3bn.

Nat-Ned buys U.S. insurer

By Laura Raun in Amsterdam

NATIONALE-NEDERLANDEN, the Dutch insurance company, is to acquire Indiana Insurance for $105m in a move aimed at bolstering its U.S. casualty business

A sharp profit erosion in U.S. indemnity business last year added fresh urgency to the group's expansion in North America, which accounts for more than 28 per cent of total premiums.

Indiana Insurance has assets of $242m. Its 1984 premiums of Fl194m ($52.4m) will lift Nat-Ned's U.S. casualty premiums by 48 per cent

Fermenta shows rapid growth

BY KEVIN DONE, NORDIC CORRESPONDENT IN STOCKHOLM

FERMENTA, the fast-growing Swedish fine chemicals producer, increased sales to SKr 452m ($48.3m) last year from SKr 137m in 1983. Profits, after financial items, jumped to SKr 80.2m from SKr 5.1m.

Fermenta, formerly a division of Astra, the Swedish pharmaceuticals group, was bought at the end of 1981 by Mr Refaat El-Sayed, an Egyptian biotechnology consultant and entrepreneur based in Stockholm.

The group has grown rapidly helped by a series of acquisitions in France, Italy and the U.S. It is one of the world's leading suppliers of bulk penicillins to the pharmaceutical industry. It is also expanding quickly into higher value added intermediate and semi-finished chemicals such as semi-synthetic penicillins and cephalosporins.

Sales were originally expected to rise to some SKr 696m in 1985, but the recent $32m acquisition of Pierrel an Italian producer of fine chemicals, pharmaceuticals and consumer products, is expected to double this to some SKr 1,345bn.

At the same time profits (after financial items) are forecast to jump to some SKr 274m including Pierrel.

In a wide placement to institutions Fermenta is planning to issue around 800,000 shares in the London market in May, partly to finance the purchase of the 83 per cent stake in Pierrel.

Fermenta said yesterday that it had signed a preliminary agreement with the European company to sell the consumer products division of Pierrel for around SKr 250m-275m. Consumer products such as toothpaste and hygiene products accounted for around 30 per cent of Pierrel's turnover.

Siemens expands in West Berlin

BY LESLIE COLITT IN BERLIN

THE WEST BERLIN economy, which only a few years ago was in danger of fossilisation, has received another shot in the arm from Siemens which is to build a DM80m ($24.4m) plant in the city to produce electronic control systems.

Recently Siemens, the major German Electrical engineering group, said it would erect a plant in Berlin for more than DM 200m producing components for optical fibre technology. Both plants together are to employ 1,000 people.

Founded in Berlin, Siemens is still West Berlin's largest employer, with 22,000 workers in 17 factories. In recent years it has closed down surplus capacity in the city.

The news from Siemens comes after Nixdorf, the German computer group, announced it would build a DM 300m components plant in Berlin and Triumph-Adler, the office equipment group, disclosed plans to expand production of electronic typewriters

Companies invested a record DM 2bn in West Berlin in 1984, a sum which is expected to be duplicated this year. West Berlin's industrial production climbed 7 per cent last year.

The revival, if not total recovery, of the West Berlin economy is attributed to several factors, including the Christian Democrat Government. This came into power in 1981 and gave priority to economic restructuring, replacing the badly eroded heavy engineering base of the city with high tech industries.

Jurek Martin on the privatisation problems of a state monopoly

Political infighting dogs NTT

FIERCE infighting between supporters of Mr Kakuei Tanaka, the former Prime Minister, and the Japanese *business* establishment is continuing to bedevil the affairs of *Nippon* Telegraph and Telephone on the eve of its transformatioo *from* a state monopoly into a nominally private company.

This is the widespread interpretatioo in Tokyo of tha apparently straightforward announcement on Tuesday night that Mr Yuzuru Abe, currently president of Nisshin Steel, had declined—ostensibly for health reasons—an offer to become vice-president of the new company.

Mr Abe was the nominee of the Keidanren, the industrial confederation, to serve under Dr Hisashi Shinto, who is to remain as NTT's president, and alongside another vice-*president*, Mr Yasusada Kitahara, who has held the post for the last eight years.

Had he accepted the offer disclosed over the weekend, Mr Abe would have been considered the *leading* candidate to take over from Dr Shinto, who is now 74, *when he* steps aside, presumably in two to three years' time.

The problem, however, lay in the fact that Mr *Kitahara* has strong ties to the Tanaka political faction inside the ruling Liberal Democratic Party, which, at one stage, was even pushing him as an alternative to Dr Shinto.

The patronage base *of* Mr Tanaka's formidable political machine has long rested in two Ministries—Posts and Telecommunications, and Construction—in which he served earlier in his career. Mr Tanaka himself is now recuperating in hospital, reportedly very slowly, from a stroke suffered last month, but his chief lieutenants are well versed in his *modus operandi*.

An NTT official, while pro*fessing* ignorance of any political factors at work, conceded that even the implication of such created a "bad impression" for the company as it was gearing up for its change in status.

NTT's "privatisation" is a far cry from the experience of the UK, because the Government will remain the sole shareholder from April 1 and *the majority holder* after the first public issue due next year. But NTT *will from next month* no longer be guaranteed its monopoly, and the accompanying new telecommunications laws are supposed to foster competition and reduce bureaucratic and political interference and direction.

Mr Norishige Hasegawa, chairman of Sumitomo Chemical and an influential senior member of Keidanren, said yesterday that "it will now be very difficult to find a good candidate" to replace Mr Abe, given the intensity of political feelings.

Ha revealed *that when* Mr Yoshihiro Inayama, the head of Keidanren, *had* offered Mr Abe the post, he had warned him that he would be in "an awkward positioo" at NTT.

The Japanese business community is the LDP's chief underwriter and normally works closely with the ruling party. Mr Hasegawa provided an example of this in the telecommunications field in his account of yesterday morning's session between a Keidanren delegation and the LDP hierarchy at which, he said, the businessmen secured the *support of the politicians for* their plan to "buy" a communications satellite from the U.S.

Mr Hasegawa said it had not been decided how this Keidanren-sponsored purchase would be effected and he conceded it was "uneconomic" at present to invest in a U.S.-made satellite. But he argued that it was the sort of gesture that could help defuse trada friction with the U.S., a proposition accepted by the LDP leadership.

● NTT will be capitalised at Y780bn ($3bn) and the shares will carry a value of Y50,000, according to the committee responsible for establishing the company in its new form, Kyodo adds from Tokyo.

Collaboration agreements boost earnings at JRA

BY KENNETH GOODING, MOTOR INDUSTRY CORRESPONDENT

JRA, the wholly-owned Australiao subsidiary of BL, is to pay its first-ever dividend, thanks to the success of collaboration agreements with Honda and Hino of Japan and Peugeot of France.

More than 70 per cent of JRA's revenue is now flowing from products which are not supplied hy the state-owned parent company in Britain, says Mr *Philip Hovell, its managing* director.

JRA is one of the most financially successful companies in the Australian motor industry and ooe of the most profitable *subsidiaries within BL, he says.*

Net profits for 1984 improved from A$8.9m *(U.S.$6.2m) to* A$19.7m. This result enabled JRA to declare *dividends* totalling A$5.1m.

JRA also generated enough cash last year to buy back A$7.5m *of preference shares.*

The company finally gave up producing cars and trucks in Australia in 1983 and instead imports the Peugeot 505 from France, the Rover SD1 3.5 litre saloons and Jaguar XJS and 4.2 litre saloons from Britain, and the Rover Quintet from Honda in Japan.

The Rover Quintet is simply a re-badged version of Honda's *own-Quintet. JRA launched* it to ensure that Rover sales matched the *quota allowed by* the Australian Government. It *is also providing an important* base for the Rover XX, the *executive car jointly developed* by Austin Rover and Honda, *which will be built in Japan for* tha Australian market and *might be launched there by JRA* next year.

JRA also imports bus chassis from Leyland in the UK and from *Hino* in Japan. Between them they accounted for more *than a third of all bus chassis* delivered in 1984. The company's hus and *coach* bodybuilding subsidiary supplied *more than 50 per cent of bodies* to the industry.

Apart from importing *Range* Rovers and Land Rovers from *the UK, JRA last year* opened a new factory at Moorbank, *near* Sydney, to build *special* versions of the Land Rover 110.

JRA registered 6,243 cars and four-wheel-drive vehicles last year, a 21 per cent increase in unit sales over 1983. Sales revenues improved from A$198.1m to A$208.8m.

Investigators into Cathay widen scope of inquiries

BY BOB KING IN TAIPEI

TAIWAN *Government investi*gators and auditors examining the *affairs of the* troubled Cathay group of companies, *where loan obligations may* reach U.S.$500m, have widened *the scope of their inquiries as* more problems and allegations *of wrong-doing* emerge.

Disclosures that the tenth Credit Co-operative had been engaging in illegal lending practices have led in recent weeks to the financial collapse of an affiliate, Cathay Plastics, as well as a government takeover of Tenth Credit and yet another affiliate, Cathay Investment and Trust, and the resignation of Mr Hsu Li-teh, the Economics Minister.

Mr Tsai Chen-Chou, head of both Cathay Plastic and Tenth Credit, has been arrested on *charges* ranging from breach of trust to fraud. Officials estimate that Mr *Tsai owes* at *least* U.S.$250m.

The Co-operative Bank of Taiwan, appointed by the Government as caretaker for Tenth Credit, has announced that Tenth Credit has nearly T$7bn (about U.S.$175m) in potentially irrecoverable loans outstanding. It owes the *Co-operative* Bank *about* T$9.5bn against T$10.8bn in *security*.

Investigators have now extended their inquiries to inclnde government officials who *might* have looked the other way as financial irregularities *grew* at Tenth Credit.

The authorities have already arrested *nearly 30 employees* and managers of Tenth Credit, two of whom have told investigators that Cathay Plastics spent *about U.S.$1m on "public* relations" last year. Investigators feel *that* some of these funds may have been used to *influence government* officials.

Besides bringing about the downfall of Mr Hsu, a former Finance Minister, the scandal has threatened the Cabinet of Prime Minister Yu Kuo-hwa as well. A group of opposition MPs cited the scandal and other problems of recent months in calling in parliament for the resignation of the entire Yu Cabinet.

Loans either lost or at extreme risk as the scandal unfolds approach US$500m, according to some estimates, or roughly 1 per cent of Taiwan's annual gross national product.

Robert Graham on efforts to reverse the decline of a financial centre

Panama polishes its banking image

THE SKYLINE of Panama City is made up largely of modern bank buildings. Yet as the evening sun catches the spectacular modern glass fronts, an uncomfortable secret is revealed. Not all the office opace is let. Two of the biggest office developments in Panama City have failed to find clients, except for the limited space occupied by their promoters. The banking boom in Panama is over and local bankers are wondering when it will acquire a new lease of life.

Banking, financial services, and real estate account for 7 per cent of Panama's gross domestic product and employ directly 9,000 people, out of a workforce of 670,000. Thus the health of the industry is of great importance tn the economy both for its direct and indirect impact. A study by the Panamanian Tourist Institute in 1982 showed that one airport arrival in four was connected with banking business.

The current difficulties of the financial sector partially reflect the recession that has affected the whole of Latin America since 1981. Yet they are also a consequence of a cool reassessment of the role nf Panamo as a regional financial capital by a number nf traditional users of this offobore centre.

Before 1970 there were only 21 banks nperating in Panama. By 1980, the number had risen to 107, and since then it has moved above 120. During the decade assets of the banking system grew at an annual average of 40 per cent, with the growth of offshore business almost double thot of the domestic market.

Panama was extremely successful in attracting regional business, so that over two-thirds of all activity became offshore. The ottractions were the use of the dollar (the balboa is equivalent to the U.S. dollar); the lock of controls; the long-standing presence of major U.S. institutions which helped create o pool of experienced staff; good support facilities which grew up because of the American presence in the Canal Zone; the implicit stability flowing from the U.S. strategic commitment tn the Canal; the geographical location of the country; and strict bank secrecy.

The bulk of deposits attracted by the offshore business came from within Latin America; the boom in Panamanian banking owed much to the artificially high values of many Latin American currencies against the dollar from 1975 to 1981. The massive flight of capital from such countries was partiolly captured by Panama; some local bankers believe it attracted around 15 per cent of this capital flight. In turn over 85 per cent of offshore lending was tn Latin American countries.

Since 1982, offshore business has not merely otagnated but fallen. Deposits nave been removed. Loans nutstanding at the end of 1984 were down by $4bn to $20bn, from end-1983. In two years, offshore lending fell by almost one-third. Bankers sey that funds have been moved out of Panama, mainly to the U.S., where interest rates and

commissinns have been more competitive.

A number of banks have decided tn relocate part nf their Latin American loan portfolios previously based in Panama so as tn manage the risk more closely. This has been particularly the case with Colombian banks the largest country banking presence in Panama after the U.S. The Colombian bonks were nbliged to assume direct responsibility for their Panamanian affiliates' Latin American portfnlios after concern arose among intenrational hanks that these portfolios were over exposed. Indeed, this bas been one of the stipulations by the international commercial banks in their talks about fresh loans to Colombia. It is now understood that the Colombian banks are prepared to assume direct responsibility for some $1.5bn of doubtful loans made hy their Panamanian affiliates.

A few hanks have decided that the combined effects of rising costs and the growing importance of Miami have made their continued presence in Panoma of marginal worth. Security Pacific has withdrawn. Libra International has closed down, and Toronto Dominion has given up its internatioool licence. But others still feel it worthwhile to establish themselves, like Universal Bank of Uruguay. On the domestic banking side, Chase has cut its retail operations while Citibank hao moved to concentrate on corporate clients. Newcomers have found the going tough, especially those who decided to take advantage nf regulations which permitted a bank's buildings to be treated favourably under its capital requirements. (This lay behind many of the modern office hiocks in Panama City.) The most conspicuous casualty is Spain's Banco Exterior. Its building io the largest and most elaborate hlock in town, yet it bas stood threequarters empty since it was completed 18 months ago.

The decline in offshore bank husiness would have been greater had Panama not begun to attroct in the past 12 months, o larger amount nf illegal drug funds—the so-called "narco dollors." The tightening up of regulations and surveillance in the Caribbean offshore centres, as a result of U.S. pressure, has led to more illegal funds coming to Panama to take advantage nf its strict secrecy rules.

As a result of this influx, the U.S. Government bas begun to apply discreet pressure on tha Panamanean authorities. President Nicolas Arditn Barletta said recently: "Paoama will never cede oo bank secrecy—never." Thio is guaranteed under the 1970 baoking laws. However, Sr Ardito Barletta did say that he was prepared to co-operate with the U.S. Government in tightening up on the inflow of drug funds. So far, Panama bas refused to sign those parts of the Reagan Admioistrotion's Caribbean Basin Initiative relating to finaocial disclosure which permits the signatory to attract U.S. cooventioo business (conventions costs held in such signatory countries are tax deductible in the U.S.).

However, Sr Arditn Barletta, bimself o former banker, is acutely conscious of the need for a clean image for Panama's banking business. As a result, he has begun to take o tough line towards banking irregularity. Early this month, he ordered the Banking Commissioo to intervene in the affairs nf the First Inter-American Bank, which bas assets nf $28m. This was the first time sucb action had been taken in Panama. The authorities moved in after the President hod told the National Assembly he would not tolerate laundered funds in Panama. The bank is understood to have Colombians as its main shareholders. The banking community is now waiting to see whether more such octions—involving a licence being revoked, while the authorities partially guarantee small depositors' interests—will follow, or whether this was a token move.

UK COMPANY NEWS

BICC arrests two years of decline

BICC, a constituent of the FT 30 Share Index, yesterday reported an upturn in profits for 1984 following two successive years of decline.

Pre-tax profits rose by over 10 per cent to £90.3m, which just crept into the lower end of City forecasts. At last night's close the shares were 17p higher at 247p.

BICC has interests in cable and wire making, mechanical and electrical engineering, and contracting. In 1981 it made £101.9m pre-tax but slipped in £98.6m in 1982 and £82m in 1983.

Sir William Barlow, who took over the chair in January this year, says "the first steps have been taken towards establishing a more satisfactory level of earnings and several loss-making activities have been eliminated."

However, he says, "we recognise that the results achieved are still below what is needed."

After all charges, including extraordinary items £2m higher at £12m, BICC's retained profits emerged at £5m against £4m.

There is a determination, he says, "to make BICC perform better."

Shareholders are set to receive an unchanged final dividend of 7.04p, which holds the total distribution for the third year running at 10.54p—it is proposed that each ordinary shareholder be entitled to fully paid ordinary shares in lieu of all or part of the final dividend.

Total group turnover for 1984 amounted to £2.09bn compared with £1.9bn. Taxable profits were struck after higher interest payable of £15.5m (£13.9m).

Earnings per share rose from a stated 17.8p in 19.2p after tax of £40.7m (£36.3m)—minorities and preference dividends accounted for £13m (£12m).

Sir William says "we plan to become a more decentralised group. BICC is taking action on poor performing units and central overhead costs are being cut "as part of this policy of decentralisation."

The profits increase in 1984 stemmed, he says, from improvements in UK, U.S. and Australian operations while losses were incurred in Canada, and South Africa experienced a downturn.

BICC Cables raised its trading profit contribution by £1.2m to £23.4m but its "true trading performance was effectively better than the figures indicate, as very substantial reorganisation and modernisation costs have been absorbed," says the chairman.

Turning to BICC International, he says "our largest overseas profit contributor is consistently the Australian group, Metal Manufacturers, which again had an excellent year."

The Canadian subsidiary, Phillips Cables, made a loss in its home territory in addition to losses at its U.S. offshoot at Watertown, New York, which has been closed.

Measures were initiated in the second half of 1984 and profits are being generated which, says the chairman, "will continue through 1985."

Results from South Africa, he says, were poor. "In our view the South African cable industry needs rationalising and this is best done by South African business interests."

As a first step BICC sold in October its 58.1 per cent interest in Scottish Cables, the South African electrical cables manufacturer, for £5.1m to Power Technologies.

BICC International, which provides the lion's share of group profits, increased its trading contribution from £50.1m to £54.2m.

Record sales, orders, and profits of £21.1m, against £18.1m, were produced by Balfour Beatty the international contracting subsidiary.

The Industrial Products Group has been renamed BICC Technologies to reflect its role in electronics systems and components and in medium power electrical engineering activities.

Trading profits from this source rose by £6.1m to £16.3m. Production units are based in Britain, U.S., France, Germany, and Hong Kong.

See Lex

PERFORMANCE BY GROUP COMPANY

	Turnover 1984 (£m)	Turnover 1983 (£m)	Trading profit 1984 (£m)	Trading profit 1983 (£m)	% Increase 1984-83
Balfour Beatty	742	681	21.1	18.1	16.6
BICC Cables	494	465	23.4	22.2	5.4
BICC International	694	620	54.2	50.1	8.2
BICC Technologies	214	177	16.3	10.2	59.8
Corporate	—	—	9.2*	5.7*	61.4
Inter-group trading	55	41	—	—	—
Total	2,089	1,902	105.8	94.9	11.5

* Debit.

Suter meets targets and starts 1985 confidently

PROSPECTS FOR the current year at Suter, the refrigeration, air conditioning and hair equipment manufacturing group, are encouraging. Sales for the first two months are in line with budget, and show a "significant increase" on the comparable period of 1984, the directors report.

This year includes companies which were formerly part of the Francis Group of metal packaging and gearbox component manufacturers, acquired in late 1984. There is also the proposed acquisition of the steel foundry group Lake & Elliot, for which terms were agreed last month.

In respect of the year 1984 the group reports that profits are in line with those forecast last month, showing an advance from £2.18m to £4.14m on a turnover £2.29m ahead at £47.31m. Shareholders receive their promised net dividend, a final of 2.5p raising the total from 2.5p to 3.5p.

The result has been achieved by substantial increases in profitability in all the group's UK businesses. Nationwide Refrigeration Supplies has achieved a further significant rise in profits over 1983, and Suter Equipment again produced record figures.

Dawmec has started trading and is making "excellent progress." It was formed in the last quarter of 1984 to sell the DWM-Copeland range of products under the company's new franchise.

Continuing operations of the Suter group showed commercial refrigeration £2.75m (£2.06m); hair products £532,000 (£501,000); property and investment £734,000 (£438,000). Discontinued operations showed automotive nil (loss £16,000) and semi-hermatic unit division loss £110,000 (£199,600). Group administrative charge was £320,000 (£604,000).

● comment

If Suter is anxious to prove to the City that it is no mere "wheeler dealer" in shares but a group with serious long-term ambitions, then these figures are the right way to show that it means business. There are acquisition benefits, notably the £0.47m profit from Francis Industries, but more important are the gains from sorting out existing operations, cutting out loss-makers and investing in other areas, both in refrigeration and hair products distribution. This bodes well for Suter's prospects of getting to grips with Francis and with Lake and Elliot for which an agreed bid is on the table. If tha group makes £7m pre-tax this year, including profits on the sale of the James Neill stake, then with a 30 per cent tax charge the shares, up 5p to 153p, trade on a fully diluted multiple of 12½. This is not expensive bearing in mind that I & E might bring in a further £1m pre-tax. Beyond this, there are Suter's plans for F. H. Lloyd and possibly Weir Group—but whether these acquisitive ideas should inspire or worry investors is a moot point.

Pleasurama tops £25m and more growth ahead

THE MUCH enlarged Pleasurama group returned pre-tax profits of £25.25m for the 15 months to December 30, 1984, in line with the forecast made last January at the time of tha offer for Trident Television.

Over the preceding 12 months Pleasurama, engaged in the leisure industry, pushed its profits up by £7.5m to £17.1m. It changed its year-end following the acquisition of Associated Leisure in March, 1984.

The group has already announced that its dividend for the 15 months will be 11.5p (6.5p for the year) but with the preliminary figures it says it is also proposing a one-for-one scrip.

Mr N. Solomon, appointed chairman of the group last June, says initial indications suggest that 1985 will be another good year for Pleasurama.

For the 15 months group turnover surged from £33.36m to £108.48m including Associated Leisure from the date of acquisition. Trading was generally satisfactory.

Despite the increase in Gaming Licence Duty in the 1984 Budget, Maxims casino performed well and the group's 17 provincial casinos again traded successfully.

The amusement machine division returned higher profits in a difficult market. The results of the holiday sector reflected the inclusion of Shearings, which was acquired in February 1984.

Profits of both the hotel and leisure divisions showed an "encouraging" advance.

The Ritz Casino and the Casanova Club, both associates and managed by the gaming subsidiary of Grand Metropolitan, disappointed. Their contribution to group profits fell by £1.97m to £2.8m.

The group's net interest charges for the 15 months totalled £2.4m (£1.29m received for the year), tax took £11.73m (£9m) and extraordinary items accounted for £457,000 (£109,000). These represented a provision for deferred tax on accumulated timing differences at October 1, 1983.

● comment

Having included profit and dividend forecasts in its offer document for Trident in January, Pleasurama was hard put to come up with any surprises yesterday. Sure enough, pre-tax profits hit the £25m target bang-on though the shares still rose 23p to 448p. The only real disappointment — though not really a surprise since it had been foreshadowed by Grand Metropolitan — was the poor performance of the Ritz and Casanova casinos, in which Pleasurama has a 25 per cent stake. If only Grand Met would offer an acceptable price, Pleasurama would probably be happy to sell. The problem is, the worse the casinos do, the less Grand Met will be prepared to pay. With the takeover of Trident, casinos will now account for two-thirds of profits, compared with half in 1984. But once Trident has been integrated into the group — this year's task — Pleasurama will be looking to branch out again into leisure. Meanwhile, it must generate enough cash to bring its gearing back down to 60 per cent by the end of this year. Pre-tax profits for 1985 look like hitting around £35m, but the real benefits from Trident will start showing in 1986.

BOARD MEETINGS

TODAY

Interims: Arbuthnot Dollar Income Trust, Arbuthnot Government Securities Trust, H.T.V., Minerals Oils and Resources Shares Fund, Park Place Investments, Sanderson Murray and Elder, Sirdar, Tay Homes, F. W. Thorpe, Thomas Walker.

Finals: A.C. Cars, Bowater Industries, Britoil, Bronx Engineering, Church, Clifford's Dairies, Delaney, House of Lerose, Jaguar, A. Jones, Jove Investment Trust, Noble and Lund, Jian Invest, Rentokil, Rockware, Watts City of London Properties.

FUTURE DATES

Interims—

Bailey (Ben) Construction	Mar 27
Beezer (C. H.)	Mar 28
City of Aberdeen Land Assoc.	Mar 28
Kalamazoo	Apr 17
Minerals and Resources Corp.	Mar 28
Precious Metals Trust	Mar 28
Scottish Metropolitan Property	Apr 15
Smiths Industries	Apr 10
Staffordshire Potteries	Mar 28

Finals—

Amari	Mar 28
Arncliffe	Mar 29
Dufay Bitumastic	Mar 28
Howard Machinery	Apr 20
Peotheralls	Apr 22
Sears	Apr 16
Standard Chartered	Mar 28
Sutherland (E. T.)	Apr 1
Watts Blake Bearne	Apr 1
Wimpey (George)	Apr 25

Robinson Bros. in reverse and cuts dividend

Organic chemical manufacturer Robinson Brothers (Ryders Green) has run into a loss of £121,000 for the year ended December 29, 1984, compared with a profit of £890,000. The dividend on the ordinary shares—which are not listed—is cut from 9p to 5p net, the final being 2p.

After a reduction from £798,000 in £300,000 in first-half profit, the second six months experienced a loss of £421,000 (profit £92,000). Turnover in the year came to £16.4m (£15.58m).

Rotaprint

The directors of Rotaprint, printing equipment manufacturer, have decided that the company's reserve position does not permit the payment of the half year dividend on the 6¼ per cent preference shares, due for payment on March 31 1985.

Gent's profit drops to £900,000

A FIFTY-EIGHT PER CENT reduction in pre-tax profit for the half year ended December 31 1984 is reported by S. R. Gent, the south Yorkshire-based manufacturer of ladies' and children's clothing and a principal supplier to Marks & Spencer. However, the second half appears to be more satisfactory.

Shareholders were warned in November to expect disappointing results because of the intensified pressure on margins, heightened by the unseasonal warm weather which meant drastic price reductions. Demand for the new casual fashion wear and "after six" ranges was very strong but could not fully compensate for the lack of traditional winter selling. The investment in opening the London design centre also affected results, and £263,000 was provided below the line.

Turnover in the period rose 8.7 per cent to £41m, but the profit was down from £2.15m to £901,000, and earnings fell from 5.1p to 1.5p. The directors are honouring their promise of holding the interim dividend at 1p net per share.

Mr Mason Marks, chairman, says initial sales reaction to the spring ranges has been good but margins continue to be under pressure. Sales of ladies and children's dresses to date are encouraging and the first casual outfits have been well received. In the year 1983-84 the group made a pre-tax profit of £6m and paid a 3p total dividend.

The first overseas orders have been secured from J. C. Penney of the U.S.

Reorganisation of the Australian subsidiary has led to increased profits but progress in Canada is below expectation. The related company in South Africa is trading satisfactory.

Sublime Lighting, the newly acquired subsidiary, is proceeding satisfactorily and new ranges have been well received by existing customers and Marks & Spencer.

See Lex

Jones & Shipman £1m profit

Jones & Shipman, maker of high precision machine tools, swung round from a £0.75m loss to a pre-tax profit of £1.07m in 1984. The improvement was mainly attributable to sustained recovery in demand, particularly in export markets.

Turnover increased from £13.64m to £16.86m. The level of order intake in 1985 to date is higher than last year and if maintained, augurs well for further profitable progress, the board says.

With stated earnings per 25p share at 8.6p (6.3p losses), the dividend total is lifted to 2.75p (1p) net with a final of 1.75p. The 1p interim included a 0.5p special payment.

Cornhill up 2% in difficult year for general insurance

Cornhill Insurance Group, a member of BTR, reported a 2.2 per cent rise in pre-tax profit for 1984 from £13.8m to £14.1m in a very difficult year for UK general insurance.

Despite a 40 per cent jump in underwriting losses from £10.1m to £14.3m, profit from the general insurance business was held at £12.8m, thanks to a steady climb in investment income. Life profits provided the overall growth for the year rising from £1.1m to £1.4m.

Premium income on general insurance business rose by 14 per cent from £175.9m to £200.5m, while life premiums rose nearly 10 per cent from £21.7m to £23.7m.

In the UK, the group's motor account continued to expand, though at a slower pace than in the previous year and a satisfactory insurance profit was attained. However, the domestic property account was hit by the severe weather conditions in the early months of last year and by the rising trend in theft and vandalism.

The commercial property business last year saw some abatement in the severe competition, but premium rates were still too low and the account recorded an insurance loss for the year. The engineering, liability and accident classes were profitable in 1984.

In the U.S., premiums advanced by almost 15 per cent, despite increased competition and the profit recovery achieved in 1983 was maintained in 1984. However, in Canada competition forced down rates to inadequate levels and consequently profit in 1984 was much lower than in 1983. Business in the Republic of Ireland continued to grow and an insurance profit was achieved. Overseas business written in London continued to be difficult.

Both the marine and aviation portfolios were satisfactory and continued to earn a satisfactory profit. Marine premiums rose by nearly 25 per cent despite increased selectivity by the company, while the aviation portfolio remained stable.

Life sales were buoyant in 1984 with growth coming from both the broker and the direct marketing operations. A number of new products were introduced during the year. The annual valuation of the long-term business fund disclosed a satisfactory surplus.

Investment income advanced by more than 18 per cent during 1984 and at the end of the year the solvency margin on a market valuation basis was 86.2 per cent.

The company points out that 1984 was one of the worst years for general insurance

Armstrong Equipment surges 43% midterm

TAXABLE profits at Armstrong Equipment surged by 43 per cent from £1.05m to £1.51m in the half year to December 31 1984, despite a fall in turnover from £56.96m to £49.18m.

The profit increase "could have been greater but for the miners' strike, strikes in the automotive industry and tha volatile situation in Iran," says Mr J. Harry Hooper, the chairman.

Tha interim dividend is increased from 0.2p to 0.3p net.

For the year as a whole, the chairman expects that further improvement will be shown. In 1983-84 the group made £2.5m.

In the UK, all divisions are on a rising profit trend as continued improvement in efficiency take effect. The success of A.C.M. (Armstrong Competition Motorcycles) in winning the contract to re-equip the British Army will begin to show in increased profits in the last quarter of 1984/1985 year.

In Spain, the CREMSA company is growing rapidly and will continue to improve profits.

At half way, trading profits improved from £2.69m to £2.78m.

New England Props. into loss

New England Properties, formerly Charles Booth, suffered taxable losses of £751,000 for 1984 and is omitting the dividend. Last year there were profits of £504,000 and this property investment and development concern paid a 1p net dividend. Turnover fell from £2.94m to £1.18m.

John Maunders up 32% to £936,000 midway

John Maunders Group, the North West of England based housebuilder raised pre-tax profits by 32 per cent from £710,000 to £936,000 for the six months in December 31, 1984, on turnover up 38 per cent at £8.79m, against £6.37m.

Legal completion of new house sales increased by 26 per cent to 318 (253). Forward sales are 32 per cent ahead on last year and the directors anticipate satisfactory trading results for the full year.

Careful consideration has been given to Maunders' involvement in retirement homes and the directors feel that this highly specialised market is not conducive to the group's mainstream activities. As a result, two prime retirement home sites have been sold for a profit, in the current period.

Half-year operating profits climbed from £760,000 to £1.14m, before investment income of £52,000 (£46,000) and interest and similar charges up sharply from £96,000 to £259,000. Tax took £442,000 (£334,000) and minorities £42,000 (nil) giving an attributable balance £76,000 higher at £452,000.

Stated earnings per 20p share increased from 6.3p to 7.6p and the interim dividend is raised by 0.25p to 2.25p net—last year's total was 4p on £1.62m taxable profits. The interim payment absorbs £134,000 (£119,000) leaving a retained surplus of £318,000 (£257,000).

The mid-term result included a contribution from Mancunian Developments, tha joint venture industrial development company formed last November. This company is expected to make a further contribution in the second half.

DIVIDENDS ANNOUNCED

	Current payment	Date of payment	Corre-sponding div.	Total for year	Total last year
BICC	7.04	July 1	7.04	10.54	10.54
City & Commercial	1.72	March 31	1.46	3.62	3.3
S. R. Gent ......int	1	May 9	1	—	3
Grosvenor Group ...int	2.25†	July 1	2.25	—	5.75
John Howard	1.15‖	—	—	1.5	—
George Ingham	0.5	—	0.75	1	1.52
Jamesons Chocolates	3	—	3	5	5
Jones & Shipman	1.75	May 16	1	2.75‖	1
Hugh Mackay	3.2	May 22	2.6	4.6	4
John Maunders ......int	2.25	April 25	2	—	4
Pacific Sales ......int	1‡	April 30	—	—	—
Suter	2.3	June 17	1.75	3.5	2.5
Shires Invest ...4th int	1.5	April 26	—	—	11.8
George H. Scholes ...int	6	May 15	5	—	18
Trafford Park ......int	3.75	April 30	3.5	—	10
Willis Faber	9.5	May 30	7.5*	13*	10.5*
Armstrong Equip ...int	0.3	May 22	0.2	—	0.6

Dividends shown pence per share net except where otherwise stated.
* Equivalent after allowing for scrip issue. † On c: increased by rights and/or acquisition issues. ‡ USM stock. ¶ Includes 0.5p special payment. ‖Over-the-counter stock.

Public Works Loan Board rates

Effective March 20 1985

Years	Quota loans repaid by EIP†	Quota loans repaid A‡	Quota loans repaid at maturity§	Non-quota loans A* repaid by EIP†	Non-quota loans A* repaid A‡	Non-quota loans A* repaid at maturity§
1	—	—	12¾	—	—	13
Over 1, up to 2	12¼	12½	12½	13¼	13¼	12¾
Over 2, up to 3	12½	12½	12	13⅛	13⅛	12¾
Over 3, up to 4	12	12	12	13	13	12¾
Over 4, up to 5	12	12	11⅞	13	13	12⅝
Over 5, up to 6	12	12	12	12⅞	12⅞	12½
Over 6, up to 7	12	12	12	12¾	12¾	12⅜
Over 7, up to 8	11⅞	11⅞	12	12¾	12⅝	12¼
Over 8, up to 9	11⅞	11⅞	11⅞	12⅝	12½	12⅛
Over 9, up to 20	11⅞	12	11¾	12½	12½	12
Over 10, up to 15	12	11⅞	11⅞	12½	12¼	11⅞
Over 15, up to 25	11½	11¼	11	12	11¾	11¾
Over 25	11⅛	11	10⅞	11⅝	11½	11½

* Non-quota loans B are 1 per cent higher in each case than non-quota loans A. † Equal instalments of principal. ‡ Repayment by half-yearly annuity (fixed equal half-yearly payments to include principal and interest). § With half-yearly payments of interest only.

UK COMPANY NEWS

Willis Faber ahead 23% despite insurance loss

LEADING INTERNATIONAL insurance broker, Willis Faber, has reported a 23 per cent rise in taxable profits for 1984 from £38.3m to £47m, despite its insurance company operations turning in a pre-tax loss over the year.

Shareholders get a 24 per cent increase in the dividend for the year at 13p against 10.5p. This is in line with the advance in earnings per share which climbed from 23.56p to 29.21p.

The group's brokerage and fee income rose by 25 per cent over the year from £68.3m to £85.4m, boosted by sterling's weakness. But Mr David Palmer, chairman and chief executive of Willis Faber, said there was substantial new business from existing and new clients.

The group's underwriting agency fees and commissions showed only an 8 per cent rise from £11.7m to £12.5m, reflecting the dull insurance and reinsurance conditions last year. Interest and dividend income advanced 15 per cent in sterling terms from £13.7m to £15.7m.

Net retained premium income was up by a third from £15.6m to £21.2m, while income from associated companies, excluding Morgan Grenfell, rose 15 per cent from £16m to £18.4m.

This resulted in total revenue excluding Morgan Grenfell rising 22 per cent from £125m to £153m.

The group benefited from the drop in corporation tax rate, the tax calculation being on a composite rate of 46.25 per cent against 50.5 per cent in 1983.

Expenses rose by 22 per cent from £64.6m to £78.5m over the year.

The insurance company operations of the group resulted in a pre-tax loss of £963,000 in 1984 against a £439,000 profit in the previous year. Mr Palmer pointed out that this drop came from poor trading conditions for insurance worldwide, with the U.S. market being badly hit. The operating ratio for the insurance operations compared favourably with that for the U.S. industry.

Last year's profits were hit by certain exceptional items, the main one being a £2.8m sum to maintain goodwill. Mr Palmer explained that this item arose in connection with the underwriting agencies held for overseas clients from Japan and elsewhere.

Willis Faber had discontinued certain lines after the periods of heavy underwriting losses, because it could not foresee any radical improvement in the immediate future. It was felt right to reimburse its clients for the losses since there was no opportunity to recoup.

Mr Palmer stated in reply to questions that the group was fully supporting the efforts of the Lloyd's syndicate 895—Spicer and White—to arrange a loan package in order to meet the £20m losses incurred by the syndicate without resorting to a cash call on syndicate members.

He emphasised that Willis Faber's role was that of a professional adviser, providing the expertises and administration in putting together the package. The group itself was not putting up any cash and the only effect on earnings would be the cost of administration.

Mr Palmer was optimistic for the immediate future of the group. Rates were hardening and the London market, especially Lloyd's had responded well to the upturn in the market and the loss of capacity in the U.S.

● comment

Willis Faber has again justified its premium rating among insurance brokers, with an underlying growth in brokerage for the year to December of 16 per cent. The hardening in rates became fully evident in the second half, so that Willis Faber begins this year on a firm note—especially as 1986 commissions are being booked at what looks like the low point for sterling. That the currency exchange gain was only £5.5m in 1984 was because Willis sells at least half its foreign income forward, a benefit that will come through this year. The only surprise was a below-the-line payment of £2.8m net of tax to keep Japanese broking clients happy after the withdrawal from certain non-marine underwriting—goodwill in its most elementary sense, and preferable to an above-the-line loss of custom. The signs this year are pointing to a taxable profit of about £60m, which implies a prospective p/e of about 17 on a 40 per cent tax charge: the shares rose 23p to 708p. The rating is rather higher than the traditional three-point premium to the sector, but is not particularly expensive in comparison with U.S. brokers.

Mackay lifts dividend as profits show 83% surge

AN ADVANCE in profits from £361,000 to £659,000 — equal to some 83 per cent — and a 15 per cent rise to shareholders' dividend to 4.6p net are announced by Durham carpet maker Hugh Mackay for 1984. And forecasts for the current term "suggest progressive improvement in trading throughout the year."

Last year was one of increasing activity building upon the better performance of 1983, the directors state. Volumes were up some 21 per cent and improved working methods led to better profitability without any material increase in employees.

Total sales grew from £11.11m to £14.69m, with the UK accounting for £9.52m (£7.26m), and trading profit moved up from £282,000 to £589,000. The rise in the second half was helped by greater volumes, the mix of sales, falls in the value of sterling, and improved selling prices.

Advances were shown in sales through the West German subsidiary and in Europe generally. A company was set up in America to protect and develop trading there. The special products side expanded its range of non-woven carpets and traded profitably in the second half.

After tax £246,000 (£117,000) and minorities £2,000 (£1,000), the net profit comes out at £411,000 (£243,000), and the final dividend is 3.2p (2.6p). There is a £289,000 net surplus on the sale of spare land, and this helped liquidity which was under pressure from the higher working capital requirements.

On December 31 the net asset value was shown at 102.4p per share, against 92.8p the year before.

In order to widen and strengthen the board it has been decided to have non-executive directors. Mr Donald Ford, chief executive of TWIL has been appointed, and consideration will be given to the appointment of a second such director.

MINING NEWS

Authorities compromise with Ok Tedi partners

BY GEORGE MILLING-STANLEY

THE FUTURE of the Ok Tedi gold and copper mine now seems assured with an announcement yesterday from the Papau New Guinea Government that the mine was scheduled to reopen last night.

The Government, which has a stake of about a fifth in the joint venture company Ok Tedi Mining, closed the A$1.6bn (£971m) mine a month ago after a dispute with its commercial partners over the timing of future phases of development.

The partners, Australia's Broken Hill Proprietary and Amoco Minerals of the U.S. with 30 per cent each and a group of West German interests with the remaining 20 per cent, had sought delays to the original development plans in view of the decline in metal prices since the project was first agreed.

This aroused the Government's fears that the partners might be contemplating pulling out of the project once the lucrative first phase of development, involving the exploitation of a cap of gold-rich ore on top of the deposit, was completed. The authorities have always emphasised that they regard Ok Tedi principally as a copper mine with a life stretching well into the next century.

A compromise has now been reached under which the Government has agreed to some delay in the introduction of the second phase, which allows for the production of copper in addition to the gold, in return for guarantees from the commercial partners on the timetable for future development.

Plans for the construction of a permanent system for dealing with the mine's tailings (waste products) and the first copper production line at a rate of 30,000 tonnes of ore a day have to be laid before the authorities by July 31, and the consortium's temporary permit for tailings disposal has been renewed until that date.

The revocation of the temporary tailings permit was the mechanism the authorities used to order the mine's closure.

Mr Francis Pusal, Papua's Minister for Minerals and Energy, said yesterday that the mine would be closed again after the four-month period unless a detailed and legally-binding document was formulated by then, but it was clear that no-one expected this to be necessary.

Both sides have been prepared to make concessions from their earlier positions, a new general manager for Ok Tedi Mining has been appointed and the Government has agreed to inject an additional Kina 15.7m into the project to restore its interest to 20 per cent. The stake fell to 16.7 per cent early in the dispute when the Government withheld its contributions.

A decision on a second copper line, also of 30,000 tonnes a day capacity, and the installation of a hydroelectric power scheme to replace the present oil-fired system will be taken early in 1987 after consideration of the various economic factors at that time.

New man at the top for Denison

Denison Mines, the Canadian mining and energy company, has unexpectedly named Mr Bruce McConkey as acting president following the resignation of Mr Clifford Frame.

In a terse statement Denison's chairman and controlling shareholder, Mr Stephen Roman, gave no reasons for Mr Frame's departure.

Rumours of friction between the two men were fuelled at Denison's annual meeting last month. Mr Roman publicly rebuked Mr Frame, who also held the post of chief operating officer, for talking to journalists about problems at the Quintette coal mine in north-east British Colombia, in which Denison has a 50 per cent stake.

Mr Frame, 51, was replaced as president of the Quintette operating company earlier this year.

Quintette has been plagued by a series of setbacks, including unexpected geological problems, mechanical failures and the weak market for metallurgical coal. The mine's total output of 3.5m tonnes in 1984, its first full year of operation, was 22 per cent below target. Its Japanese customers have asked for a price reduction.

Mr Frame indicated last month that Denison was trying to secure lower interest rates on loans from the Japanese steel companies which are also minority shareholders in the Quintette venture.

Denison's earnings declined by 20 per cent last year to C$80.5m (£51.5m). The company recently announced a C$150m offering of preferred shares to strengthen its balance sheet.

Mr McConkey, presently vice-chairman of Denison Mines, has worked for the company for the past 30 years.

Grosvenor Group continues to improve

A CONTINUING improved performance in trading in all but two operating subsidiaries has helped pre-tax profits rise from £362,000 to £449,000 at Grosvenor Group for the six months to the end of 1984. Turnover, increased by acquisitions of this electrical manufacturer moved ahead from £8.05m to £15.96m.

The interim dividend is again 2.25p, although it is being paid on capital increased by 24.2 per cent in March, 1984. In the last full year a final of 3.5p was also paid. First-half net earnings per share are shown as 4.64p (6.16p).

Results would have been further improved says Mr N. D. P. Chamberlayne-Macdonald, chairman, but for continued losses at Cera, which was acquired in 1983. This company is still suffering from a lack of profitable work, which will result in further losses in the second half although at a reduced level. Conversion of enquiries into firm orders is "still inadequate." This company's future remains under review.

During the first half it was decided to integrate Metrel's element manufacturing operations with those of Backer Electric, resulting in the closure of Metrel's manufacturing. Backer Electric has been gaining market share in the first half, says the chairman.

The reorganisation of the element division should be completed in the second half. In view of this decision, Metrel's trading loss for the period has been shown separately as an exceptional debit of £197,000 and provision for closure costs up to the end of December have been shown as an extraordinary debit of £33,000 throughout.

All other parts of the group "performed well" and in accordance with expectations, notably Floform and Lock, says the chairman. Both benefited from increased sales to the U.S., where the strong dollar was an additional source of revenue.

The spread of group trading, both in the UK and export markets, shows "continuing progress."

Mersey Docks counts cost of two strikes and falls to £0.8m

BY ANDREW FISHER, SHIPPING CORRESPONDENT

THE TWO 1984 dock strikes hit last year's results of Mersey Docks and Harbour Company heavily. The company, which runs the Port of Liverpool, suffered a drop in pre-tax profits from £7.5m to £807,000.

Mersey Docks said the strikes lopped some £4m off its revenues in the second half of the year. Total turnover in 1984 was down from £57m to £50.2m. Operating profits slumped from £6.8m to £1.9m, with a loss of £343,000 (£6.6m profit in 1983) after interest charges and tax.

Mr James Fitzpatrick, the chairman, said that despite last year's mixed fortunes, he was optimistic about prospects for 1985. One reason was the opening and initial development of Liverpool Freeport.

Others were the signing of a second two-year pay deal and the boost to business from the switch by South Africa European Container Service (SAECS) to Liverpool from Southampton during its recent stoppage. SAECS is, however, returning to Southampton at the end of this month.

Mr Fitzpatrick said Bibby Edible Oils was spending £30m on an edible oil refinery and Continental (London), part of Continental Grain of the U.S., was making further investments at its Royal Seaforth operation in the port.

Mersey Docks will make a further repayment to stockholders this year of 2p per £1 stock, totalling £400,342. This will bring repayments to 31p since the collapse in 1971 of the old Mersey Docks and Harbour Board and its replacement by the present company. No repayments occurred in 1984.

Mr Fitzpatrick said discussion would continue over repayment of funds granted by the Government to cover severance payments for dockers leaving the port. These now total £99m (including last year's £6.7m), of which £11.5m covers private stevedoring companies in the port.

The Government has said it would reclaim this amount when Mersey Docks' financial circumstances allowed. The port now employs about 2,050 registered dock workers, of which 1,350 work for Mersey Docks. Severance notices are going out for a further 205 dockers.

There was a fall in the volume of general cargo handled last year from 858,000 tonnes to 693,000 tonnes as a result of UK recession and financial problems suffered by a number of export markets in developing countries.

Container traffic was fairly stable, however, at 121,000 TEU (twenty-foot equivalent units, the basic industry measurement) against 119,000 TEU.

Fleming Japanese

Available revenue of Fleming Japanese Investment Trust surged from £57,000 to £450,000 for the half year to January 31 1985. Earnings rose by 2.12p to 2.49p per 25p share. Total income amounted to £979,000 (£411,000). Tax took £343,000

UK COMPANY NEWS

CREST NICHOLSON PLC

The holding company with interests in property, sports surfaces, conveying systems, optical products, electronics and marine services

21% Increase in Profits

	1983	1984
Sales	£72,319,000	£90,837,000
Pre-tax profits	£7,012,000	£8,520,000
Earnings per share	10.01p	11.53p
Dividends per share	3.35p	3.75p

- Increase in profits for the tenth consecutive year
- 15% increase in earnings per share
- Another year of record profit expected in 1985

Accounts available from the Secretary, Crest House, Station Road, Egham, Surrey TW20 9NP

Lex realises £35m in plan to cut borrowings

BY MARTIN DICKSON

Lex Service, the automotive and electronic components distributor, is selling its California automotive parts business and a 50 per cent stake in its fork-lift truck hire plant company in two separate deals realising around £34.5m.

The company intends to use the proceeds to cut its borrowings by around one third. Lex shares rose on the news, to close last night at 214p, up 9p on the day.

The divestments come just two weeks after Lex reported higher 1984 profits but warned that first-half 1985 results would be "substantially worse," largely because of the downturn in the electronics market which has hit its U.S. electronics distribution subsidiary.

Lex is selling Chanslor and Lyon, the California parts distribution business it bought in 1979, to Cardis Corporation in e deal that will realise about $31.3m (£27.5m).

It has also sold a 50 per cent stake in Harvey Plant, its fork-truck hire company, to Lombard North Central, the finance bousee for £12,500, the book value of the shares sold. Harvey has repaid to Lex £8.1m of debt, but Lombard and Lex have each subscribed £1.1m in new share capital to Harvey, producing a net £7m improvement in Lex's cash balances.

Tho purchase price for Chanslor and Lyon will be around $15.7m, but Lex will also collect about $10.4m of accounts receivables and $5.2m of secured trade notes.

The business produced operating profits of $2.4m last year on turnover of $90m but Lex said yesterday that it had lost money during the U.S. recession and had been regarded as peripheral to the group's growth strategy for some years.

The $15.7m sale consideration is equivalent to the value of the assets sold, less liabilities being assumed by Cardis, after taking into account a £3.8m extraordinary provision in Lex's 1984 accounts. Lex will receive $8.2m in cash, $5m in a one-year secured note and $2.5m in Cardis stock.

Lex said that the proceeds would go to reduce its borrowings in the U.S. while the fork-lift truck deal would help cut its UK debt. Analysts estimate the company's borrowings totalled around £100m at the end of last year, giving it a debt/equity ratio of around 60 per cent.

Lex will retain management supervision of Harvey, but Lombard will take on the chairmanship and thus consolidate the company in its accounts.

Barker & Dobson hit hard by price war

By Charles Batchelor

Barker & Dobson, the confectionery maker and retailer, yesterday blamed its expected 1984 loss of £1.5m on its failure to notice the impact of a price war in cigarettes, toys and fancy goods on its retailing margins.

Barker, which until Tuesday's announcement of the expected loss had been seen as recovering from the problems of the early 1980s, did not discover the disappearance of its margins until after the year end, Mr Bill Kenyon, chief executive, said.

Mr Paul Stewart, group managing director since last July and the previous head of the retail division, and the present chief executive of retailing, Mr Michael Hartley, are to leave the group. A full investigation is taking place, the company said.

Mr Stewart declined to comment on his departure.

Mr Ronnie Aitken, the "company doctor" who handed over the role of chairman to his chief executive, Mr Kenyon, last July is resuming his former position.

This is to allow Mr Kenyon to take responsibility for the running of the retail division until a new managing director of that division can be appointed.

Barker said the £1.5m figure was a preliminary indication of its still unaudited 1984 results. In 1983 the company made a profit of £1.7m on turnover of £66.8m and the City had been expecting an increase in profit to about £2m last year.

Price cutting in the cigarette market cut into the normal 10 per cent gross margin made while a more aggressive Woolworths and a push by groups such as Tesco and Asda into the toy and fancy goods market reduced the 50-60 per cent gross margin made in these products, Mr Kenyon said.

The increase in turnover disguised the disappearance of the net retailing margin of only 2-3 per cent.

"The real criticism is not that it happened but that it became apparent too late," Mr Kenyon said. "We should have picked it up earlier but because the turnover was there all seemed to be going reasonably well."

In a statement Barker said that the group balance sheet was still sound and measures were in hand to restore profitability. Barclays Bank, the group's main banker, had been kept fully advised of the position and the group was continuing to operate within the facilities provided.

The confectionery manufacturing division is doing very well despite a disappointing first half in 1984 and benefits of factory closures and the rationalisation programme began to show up in the final quarter of last year, Mr Kenyon said.

Barker has based its recovery from the three-year dividend pause in 1980-82 on the expansion of its retailing side and a move into chocolate confectionery. Demand for its traditional boiled sweets has been depressed.

In the past three years it has bought two chains of newsagents' and confectioners' shops taking its total to 160 outlets.

Barker's shares recovered ½p yesterday to 7p after falling 2p on Tuesday.

ICI bonus scheme helps give chairman 68% pay boost

MR HARVEY-JONES, chairman of ICI, the chemicals group, received a 68 per cent increase in total emoluments to £287,281 last year, the annual report reveals.

ICI said the increase reflected the substantially improved performance in 1983, when group pre-tax profits came to £619m, against £259m.

Most of the salary rise came from a performance-related bonus scheme, and the rest was an adjustment which took into account a considerable narrowing in the differential between the pay of the executive directors and that of other employees in previous years.

The other seven executive directors (one of whom, Mr Philip Harvey, died last week) received similar increases. UK employees received a 6 per cent pay rise last year.

The accounts shed further light on the sharp increase in last year's profits to £1.03bn. Volume of chemical sales rose by 8 per cent but varied widely by geographical area. UK volume was up by 24 per cent, to £1.1bn. European volume increased by 10 per cent and elsewhere in the world by 12 per cent.

Exports were helped substantially by currency movements. The value of exports to Europe was up by 24 per cent, to £1.1bn and to other markets by 22 per cent to £1.01bn, with the Far East still the largest non-European market.

Total sales in the Far East were 80 per cent higher and profits were up by almost 50 per cent. Another significant growth area was Latin America, where profits were 50 per cent higher in dollar terms, on sales up only 8 per cent. Profits from overseas subsidiaries were boosted by £37m on translation into sterling at end-1984 rates, in comparison with rates at end-1983.

The report gives further evidence of ICI's emphasis on overseas growth. The group's aim, says the chairman, is to sustain earnings and technological strength in the UK, while increasing them abroad. The number of group employees worldwide fell by 2,300—in the UK the figure fell by 3,200.

Weeks Assocs. cash injection

BY ALEXANDER NICOLL

MR BRIAN NORTH, a former Burton Group and Thorn EMI executive, is taking a 12.6 per cent stake in Weeks Associates, manufacturer of agricultural equipment and rubber products, and will become its chief executive.

Fieldmarch, a company owned by Mr North and his wife, is subscribing to 1.57m new shares at 12½p each and County Bank is taking 400,000 new shares at the same price — a 3.2 per cent stake. The injections will provide Weeks with £220,000 after expenses.

Weeks ran into trouble last year and was forced to put its agricultural trailer subsidiary, Weeks Trailers, into receivership.

It was left with two divisions: engineering, which makes root crop handling and grading equipment, especially for potatoes, as well as agricultural components, bulk materials handling and electro-mechanical switchgear; and distribution, which makes and distributes rubber products.

Mr Wilfred Airey, Weeks chairman, who is assuming a non-executive role, said in a letter to shareholders that the cash injection would go some way towards reducing group borrowings. After the cash has been applied to debts, they will represent 97 per cent of net tangible assets of £1.66m, compared with 127 per cent of net assets of £1.44m at present.

Weeks estimated that pre-tax profits for its continuing operations would be £180,000 in the 53 weeks ended February 3, 1985, compared with £197,000 in the previous year. The latest year's profit excludes a £356,000 pre-tax loss from Trailers and is before extraordinary charges of £1.14m, which include an extraordinary charge of £1.09m from the Trailers receivorship.

Mr Airey said the distribution division was making "excellent progress" but prospects for the engineering division were uncertain.

Mr North, 50, was formerly deputy managing director of Burton Group and managing director of Thorn's film production and distribution division.

Morland sells leasing side

Morland and Co., a brewery, has agreed to sell its equipment leasing business to PKF Inans International (UK), an indirectly wholly-owned subsidiary of the Swedish bank, Post Och Kreditbanken, Pkbanken.

The shares are to be sold for a nominal consideration, but the deal will result in Morland Leasing repaying its parent around £2.7m, the balance due to Morland on an inter-company loan account.

The sale will allow Morland to release deferred tax provisions for the current financial year, amounting to an extraordinary contribution to profits of around £170,000.

Manganese Bronze disposes of gun-making operations

Mr James Edmiston, former owner of sub-machine gun maker Sterling Armament Company, is returning to the firearms business by taking over the operations in Birmingham's BSA Guns from Manganese Bronze Holdings.

BSA Guns is one of Britain's biggest manufacturers of rifles, producing air and sporting models. About half its products are exported, and Mr Edmiston aims to increase this proportion.

Mr Denis Poore, chairman of Manganeze Bronze, said the company was selling the gun-making operations—including the BSA brand-name—because they were not part of its mainstream operations. It is a metal components and foundry group and produces the London taxicab.

Manganese Bronze will receive £571,000, including commission on the sale of plant. The deal will produce a surplus over book value of £250,000 and will improve liquidity by about £750,000.

BSA Guns had a net profit before tax and extraordinary items of £26,000 in the year ended July 31 1984 and a small loss in the first half of the current financial year.

Mr Edmiston, who sold Sterling in 1983, aims to expand the range of air rifles produced by BSA.

Bell Canada

Bell Canada International (BCI) has completed the acquisition from Cable and Wireless of its subsidiaries Cable & Wireless UK Services, Eurotech BV, Eurotechnica SA, and Eurotech (Italia) SpA for around £6m.

Cable & Wireless UK Services is being integrated with General Computer Systems—acquired by BCI in November 1984—and now known as Bell Technical Services, a wholly-owned subsidiary of BCI UK.

Baynes in over £1m purchase

Charles Baynes, which has been rapidly diversifying from hacksaw blade manufacturing into the cleaning and textile rental industry, is buying Givewell, a London-based tablecloth and napkin hire service, for an initial £950,000, with up to a further £650,000 payable depending on profits performance.

Baynes will fund the deal with an issue of 1.9m new ordinary shares, which will represent 9.8 per cent of the enlarged share capital. The company said the acquisition was a strategic extension of its textile rental and garment cleaning activities in the London area.

Baynes made a one-for-two rights issue last October, raising £1.8m to fund two other acquisitions in the textile rental and cleaning business.

COMPANY NEWS IN BRIEF

Yearling bonds totalling £6.5m at 12¼ per cent. redeemable on March 26 1986, have been issued by the following local authorities: Daventry District Council £0.75m; Bassetlaw DC £0.5m; Hillingdon (London Borough of) £1m; Dwyfor DC £0.5m; Tunbridge Wells Borough Council £0.5m; Braintree DC £0.5m; Chester-Le-Street DC £0.25m; Cumnock & Doon Valley DC £0.5m; Eastbourne BC £0.5m; Newcastle-upon-Tyne (City of) £1.5m.

* * *

AS EXPECTED, manufacturer of business forms and equipment James Wilkes has achieved a substantial increase in profits for 1984. The dividend is stepped up from 4.3125p to 6p net per share, and there is to be a 1-for-4 scrip issue.

Second-half profits have come to £474,000 to push up the year's total from £132,000 to £770,000, on a turnover ahead from £5.24m to £5.81m. The final dividend is 4.5p.

* * *

Acceptances totalling 24.45m (43.6 per cent) of the new preferred ordinary shares in the Lyle Shipping rights issue have been received. The balance of 31.64m has been allocated to the underwriters.

* * *

Acceptances for the rights issue of DPCE Holdings total 1.89m (96.3 per cent) new ordinary shares. Shares not taken up have been sold for the benefit of shareholders who did not take up their entitlements.

* * *

Bestwood, an investment holding concern, returned lower taxable profits of £234,182, against £278,703, for the year to end-December 1984.

There have been a number of board changes since the year end. Mr Tony Cole, who has become chairman, will outline his plans for Bestwood at the AGM on April 22.

Tax for 1984 was £77,607 (£85,996), leaving net profits of £156,575 (£192,707). Earnings per share fell from 12.35p to 10.04p—a single interim dividend of 6p (7.5p) has already been declared.

* * *

Although Star Computer Group interim results show a dive into pre-tax losses of £393,000, against profits last time of £220,000, the directors say they intend to declare a dividend for the 14-month period equivalent to the 2.5p net paid last time.

Last November they said that the bulk of sales and profits normally came in the second half and were confident that profits for the year would be above the £120,000 (£1.07m) achieved in the last full year.

Turnover for the six months to the end of October 1984 came to £3.55m (£3.12m).

* * *

In the nine months to December 31 1984 net asset value per 25p share of the Nineteen Twenty-Eight Investment Trust rose by 17.9p to 196.9p. Net revenue for the nine months totalled £1.5m, compared with £2.07m for the year to March 1984, after tax of £859,000 (£1.26m).

Earnings per share amounted to 4.11p (5.67p) and a final dividend of 1.5p makes a net total of 3.5p (5.5p for year).

* * *

John Howard, civil engineer and building contractor, achieved taxable profits of £1.54m in 1984 compared with £1.45m previously.

Turnover totalled £28.62m, against £24.06m. The company in November 1984 joined the over-the-counter market made by Granville & Co.

A single final dividend of 1.5p is recommended. Stated earnings per share were 12.7p after tax of £207,000 (£424,000)—there were extraordinary credits this time of £854,000.

* * *

Erskine House has agreed to acquire Slater Leeming and Lancashire Print Services. The two companies, which were owned by the same shareholders, sell and service Recob and Minolta copiers and offset auto printers in North-West England and West Yorkshire.

The initial price is £100,000, payable in cash and a further cash payment may be made in 1987, to bring the total consideration up to three times the average annual pre-tax profits achieved in the two years to March 31 1987.

* * *

At the annual meeting yesterday of Securiguard Group, which provides office cleaning and security services in London and the Home Counties, Mr Alan Baldwin, the chairman, said that group sales in the first quarter of 1984-85 were substantially higher than in the comparable period of last year, and above the group's budget figure.

Securiguard's shares are traded on the Unlisted Securities Market.

* * *

Pacific Sales Organisation, which imports and distributes a range of small leather goods and giftware from China, increased pre-tax profits in the half-year to end-December 1984, from £455,318 to £533,083.

Turnover rose from £2.36m to £2.64m. The board says sales are currently buoyant and it remains confident that the pre-tax profit forecast of £390,000 for the year ending June 30 1985 will be exceeded. In the past a loss has been incurred in the second half.

An interim 1p dividend is being paid, as indicated at the time of the company's flotation on the USM in July 1984.

BASE LENDING RATES

A.B.N. Bank	13½%	Johnson Matthey Bkrs.	14 %
Allied Irish Bank	14 %	Knowsley & Co. Ltd.	14 %
Henry Ansbacher	13½%	Lloyds Bank	13½%
Amro Bank	14 %	Edward Manson & Co.	15 %
Associates Cap. Corp.	14 %	Meghraj & Sons Ltd.	13½%
Banco de Bilbao	14 %	Midland Bank	13½%
Bank Hapoalim	14 %	■ Morgan Grenfell	14 %
BCCI	14 %	Mount Credit Corp. Ltd.	14 %
Bank of Ireland	14 %	National Bk of Kuwait	13½%
Bank of Cyprus	14 %	National Girobank	14 %
Bank of India	14 %	National Westminster	13½%
Bank of Scotland	13½%	Northern Bank Ltd.	13½%
Banque Belge Ltd.	14 %	Norwich Gen. Trust	13½%
Barclays Bank	13½%	People's Tst & Sv. Ltd.	15 %
Beneficial Trust Ltd.	15 %	Provincial Trust Ltd.	15 %
Brit. Bank of Mid. East	10½%	R. Raphael & Sons	13½%
■ Brown Shipley	14 %	P. S. Refson	14 %
CL Bank Nederland	13½%	Roxburghe Guarantee	14½%
Canada Perm'nt Trust	13½%	Royal Bank of Scotland	13½%
Cayzer Ltd.	14 %	Royal Trust Co. Canada	14 %
Cedar Holdings	14 %	■ J. Henry Schroder Wagg	13½%
■ Charterhouse Japhet	13½%	Standard Chartered	‖13½%
Choulartons**		Trade Dev. Bank	14 %
Citibank NA	13½%	TCB	14 %
Citibank Savings	¶12½%	Trustee Savings Bank	13½%
Clydesdale Bank	13½%	United Bank of Kuwait	13½%
C. E. Coates & Co. Ltd.	14½%	United Mizrahi Bank	14 %
Comm. Bk. N. East	14 %	Westpac Banking Corp.	14 %
Consolidated Credits	14 %	Whiteaway Laidlaw	14 %
Co-operative Bank	*13½%	Williams & Glyn's	13½%
The Cyprus Popular Bk.	14 %	Wintrust Secs. Ltd.	14 %
Dunbar & Co. Ltd.	14 %	Yorkshire Bank	13½%
Duncan Lawrie	13½%		
E. T. Trust	14½%		
Exeter Trust Ltd.	14½%		
First Nat. Fin. Corp.	15½%		
First Nat. Secs. Ltd.	14½%		
■ Robert Fleming & Co.	14 %		
Robert Fraser & Ptns.	14½%		
Grindlays Bank	‡13½%		
■ Guinness Mahon	13½%		
■ Hambros Bank	14 %		
Heritable & Gen. Trust	14 %		
■ Hill Samuel	§14 %		
C. Hoare & Co.	†14 %		
Hongkong & Shanghai	10½%		

■ Members of the Accepting Houses Committee.
* 7-day deposits 10½%. 1 month 11.25%. Fixed rate 12 months £2,500 11.75%; £10,000 12 months 12.00%.
† 7-day deposits on sums of under £2,000 11%, £2,000 up to £10,000 12%, £10,000 up to £50,000 12¼%, £50,000 and over 12½%.
‡ Call deposits £1,000 and over 10½%.
‖ 21-day deposits over £1,000 11½%.
¶ Mortgage base rate.
§ Demand deposits 11%.
** See Provincial Trust Ltd.

KENNING MOTOR GROUP p.l.c.

Distributors and Retailers of Cars, Commercial Vehicles, Petroleum Products and Tyres. Specialists in Service and Parts, Long Term Contract Hire, Car and Van Hire, Bodybuilders, Manufacturers of Electric Vehicles, Road Tank Vehicles and Remoulded Tyres. Operators of Motorway Service Areas. Insurance Brokers and Travel Agents. Developers and Retailers of Leisure Property.

Year Ended 30th September 1984	1984 £000	1983 £000
Turnover	372,228	326,391
Profit before Taxation	7,536	11,747
Dividends Distributed	2,796	2,533

Shareholders Funds £73.9m (Issued Capital and Reserves)	Capital Employed £92.4m
Fixed Assets £69.2m	Net Current Assets £19.5m
Number of Shareholders 3,924	Number of Employees 5,989
Value of Group's Properties £35.0m	Number of Apprentices 40

Copies of the 1984 Report and Accounts may be obtained from the Secretary, Manor Offices, Old Road, Chesterfield.

KENNING MOTOR GROUP p.l.c.

Mackay Carpets

Manufacturers of Durham Carpets

Results for the year ended 31st December 1984

	1984 £000	1983 £000
Group Sales — UK	9,524	7,255
— Overseas	5,167	3,852
	14,691	11,107
Profit before tax	659	361
Extraordinary profit (Sale of surplus land)	289	—
Earnings per share	8.31p	4.91p
Dividend per share	4.60p	4.00p

- Volumes increased 21% both at home and abroad. Exports were 35% of sales with notable advances in Europe.
- Hugh Mackay Carpets Inc was established in New York to control the development of our trading future in the U.S.A.
- Special Products division in its first full year expanded its "non-woven" product range and traded profitably in the second half.

Hugh Mackay plc, Dragon Lane, Durham City DH1 2BX

Maunders homes for good living

Interim Profit Statement for the 6 months ended 31st December 1984

Turnover up 38%
Pre-tax profit up 31%

Announcing record results, Chairman John Maunders says:- "With forward sales 32% up on last year we look forward to reporting satisfactory trading results for the full year."

	1984 £'000 (Unaudited)	1983 £'000
Turnover	8,788	6,366
Profit before Tax	936	710
Taxation	(442)	(334)
Minority Interest	(42)	(–)
Profit after Tax	452	376
Earnings per share	7.6p	6.3p
Dividend per share	2.25p	2.0p

John Maunders Group plc
Development House, Crofts Bank Road, Urmston, Manchester M31 1UH.

Company Notices

GENERAL MOTORS CORPORATION

Further to the DIVIDEND DECLARATION of 20th February, 1985, NOTICE is now given that the following distribution will become payable on and after 15th March, 1985, against presentation to the Depositary (as below) of Claim Forms listing Bearer Depositary Receipts.

GROSS DISTRIBUTION	6.25	CENTS
LESS 15% U.S. WITHHOLDING TAX	0.9375	CENTS
	5.3125	CENTS PER UNIT
CONVERTED at 1.092 =	4.86491	PENCE PER UNIT

Barclays Bank PLC
Securities Services Department
54 Lombard Street, London, EC3P 3AH

GEORGE H. SCHOLES PLC

WYLEX WORKS, WYTHENSHAWE, MANCHESTER M22 4RA

Manufacturers of Wylex Electrical Products

INTERIM REPORT

Unaudited results for the half year to 31st December, 1984

	1984 £'000	1983 £'000
Turnover	12,109	11,152
Trading profit	1,865	1,583
Income from shares in related companies	124	91
Other interest receivable and similar income	228	162
Profit on ordinary activities before taxation	2,217	1,836
Tax on profit on ordinary activities	953	824
Profit on ordinary activities after taxation	1,264	1,012
Extraordinary items after taxation	—	118
Profit after taxation for the period	1,264	1,130
Proposed interim dividend:		
Rate per share	6p	5p
Amount	386	321
Retained profit for the period	878	809
Earnings per share based on profit on ordinary activities after taxation	19.7p	15.7p

The unaudited results for the half year to 31st December 1984 are shown above.
The above figures indicate a satisfactory first half trading and we would expect a continuation of the present level of activity and performance. The directors have today declared an interim dividend of 6p per share payable on the 15th May 1985 to shareholders on the register at 4th April 1985.

G. R. C. McDowell, Chairman
20th March 1985

YEAR END PROFITS UP 21%

Year Ended	December 1984 £'000	December 1983 £'000	Increase %
Turnover	3,496	2,669	+31%
Profit before tax	1,428	1,184	+21%
Earnings per share	29.32p	24.92p	+18%
Dividend (net)	7.35p	6.00p	+23%

"We enter 1985 ready to face the uncertainties and to take advantage of the opportunities of the year ahead."

Derek Bryant
Chairman

DEREK BRYANT GROUP p.l.c.
39 Botolph Lane, London EC3R 8DE
And at Lloyd's

The comparative figures for the year ended 31st December 1983 have been restated to reflect the acquisition of I.R. Stock & Company Limited during the year in accordance with Merger Accounting Principles.

JOBS COLUMN

How companies gain from incentive schemes

BY MICHAEL DIXON

"IT'S easy for folk like you to bang on about the key to management being motivating people better. But to someone in my position, it can have its costs you know," said the grizzled managing director when I first started writing about management nearly 18 years ago.

"For one thing, the higher your people's motivation, the more likely they are to run out on you and work for somebody else," he added.

Being then convinced of the omnibenevolence of greater motivation at work, I thereupon silently pooh-poohed his objection as typical of the pettifogging, rigid sort of thinking brought on by advanced age. (At the time he must have been about as old as I am now). But it looks as though I may owe him an apology.

The reason lies in the accompanying table. It is drawn from a survey published by Inbucon Management Consultants this very morning of executive incentive schemes operated by companies in the United Kingdom.

Of the 248 organisations questioned, 88 had no such schemes. But their growing popularity is suggested by the fact that one in every three of those organisations plans to introduce some form of incentive in the next 12 months. On the other hand one in seven had previously tried a scheme and scrapped it, often mainly because of "poor financial results."

	Different kinds of scheme				All schemes by time in operation			
	Incentive bonus	Share option	SAYE	Profit sharing	1-2 years	2-3 years	3-5 years	Longer
Number of companies using	106	32	25	67	37	24	36	63
% citing improvement in:								
Motivation	35	38	32	28	27	25	25	44
Cost and profit awareness	20	22	20	37	30	21	39	24
Commitment to business	13	28	20	15	14	17	19	16
Profitability	17	25	20	10	14	21	14	14
Rewards for contribution	8	6	8	16	11	—	14	21
Executive co-operation	4	13	8	13	5	8	6	10
Attainment of targets	7	9	4	5	—	4	3	13
Retention of key people	2	6	8	3	3	—	3	3

The other 160 companies, with turnovers ranging from under £1m to £500m-plus, had a variety of incentives. Several used more than one kind. Most covered directors and senior executives alike. Incentive bonuses topped the poll, followed by profit-sharing, executive share options, and save-as-you-earn (SAYE) share schemes. In 95 per cent of cases, the incentives were viewed as at least partly living up to expectations.

All my table shows is how the companies felt they were mainly gaining from their chosen schemes. Anyone wanting more information from the survey should contact Inbucon's Ken Schwarz at 197, Knightsbridge, London SW7 1RN; telephone 01-584 6171.

Eight main benefits were cited. They include improvements in participants' achievements of targets, awareness of costs and profits, commitment to the business, co-operativeness, and motivation. The other three are increases in the company's profitability and scope to reward individual contributions, and success in retaining crucial staff. Some companies said they had gained in more than one way.

The table's left-hand block of four columns of figures take the various schemes in operation, and break them down into the four most popular forms. The right-hand block lumps all kinds of schemes together, and breaks them into sub-lumps according to how long they have been in use.

Reading down the table, I start each column with the number of companies involved. Then I show the percentage of that number claiming each of the main benefits. That seemed the best way to express the comparison even though the samples of companies are mostly small.

One surprise for me occurs because the reason I've heard most often cited for introducing incentives is that they are needed to keep key executives from being lured away by the blandishments of thrusting young businesses heading for a market quotation. Yet the table shows that retaining crucial staff is the least successful outcome of the schemes.

Since the most successful outcome in general is increased motivation, it seems there may be justice in the comment of the grizzled managing director I met (and last mentioned) so long ago: "the higher your people's motivation, the more likely they are to run out on you and work for somebody else."

Sorry, Stan. In those days I was green and merely middle aged.

Retail flair

CANADA will be the base of the flair-full and ceaselessly observant retail director being sought by headhunter Allen Davis on behalf of an international footwear group. As he may not name his client, he promises to abide by any applicant's request not to be identified to the employer for the time being.

The newcomer will be on the staff side, responsible immediately to the operations director who in turn reports to the chief executive. Directly below the chief on the line side are a dozen sub-chiefs each in charge of a particular region of the world, and reporting to them are umpteen sub-sub-chiefs each responsible for the group's operations in an individual country.

The recruit's prime task will be to advise the different regional and country chiefs on developing trends in retailing which are likely to affect their operations, so that wherever possible they can be prepared for what would otherwise seem bewildering changes of buying fashions in their kind of trade.

Candidates must therefore be up to the minute and universally knowledgeable in all aspects of successful retailing strategies and tactics, from shop design to security systems. Proven ability to create, develop and carry through new concepts in retailing comparable goods is essential.

Salary equivalent to about £80,000. Perks negotiable.

Inquiries to Allen Davis at IBC House, 1 Mortimer Street, London W1N 7RH; tel 01-637 5277, telex 299230.

Small businesses

RECRUITER Paul Lichtin of the TAL consultancy seeks a deputy chief executive for the Council for Small Industries in Rural Areas, working from Salisbury. CoSIRA provides advice, funding and so on to small businesses—about 18,000 currently—dotted about the countryside. Its 350 staff work through 35 branch offices.

Candidates should have professional standing as well as general management experience and familiarity with the needs and complexities of small companies. Effectiveness at persuasively getting scattered staff to work in cohesion is essential.

Salary bracket £16,229-£21,834. While not part of the Civil Service, CoSIRA has similar job conditions, including index-linked pension scheme.

Inquiries to Mr Lichtin at 232 Portland Rd, London SE25 4SL; tel 01-656 8323.

Investment Banking France

In line with its continuing success and growth in the international capital markets, Bank of America International Limited is seeking a Senior Executive for a new appointment within its New Issues Group.

Based in London, the position carries business development responsibility for the buy side of the Bank's new issue business with specific emphasis on marketing its investment banking products in France.

Applicants should have at least 4 years' experience of the buy side of new issues in both fixed and floating rate markets together with a strong marketing orientation. An innovative approach to the development of new products and proposals as well as experience in the execution of transactions is essential.

The successful candidate will be fluent in French, will hold a degree or professional qualification and should have the ability to operate within a worldwide investment and commercial banking network.

Write with full personal and career details to Peter Cole, Bank of America International Limited, 1 Watling Street, London EC4P 4BX, or telephone 01-634 4660 for preliminary discussions.

BANKAMERICA CAPITAL MARKETS GROUP

Managing Director (Designate)

£35,000 + prestigious benefits

This appointment is with a £25m subsidiary of one of the UK's most successful and diverse groups. In planning for the eventual retirement of the current Managing Director of the company — which is in the oil service sector — a successor is now to be appointed.

While gradually assuming total profit responsibility, the person appointed will also be charged with the task of developing the business in new markets with existing products — which are successful — and with new concepts as identified in this continually expanding technologically innovative industry.

Ideally aged between 35 and 42, you should be a graduate engineer, with extensive experience of, initially, design engineering and large scale project management in the offshore oil industry, followed by a move into general management — where financial responsibility and business development have been part of your remit.

Salary for this post will be negotiable around £35,000 and there is an excellent profit related bonus scheme which could greatly increase your earnings. The support benefits accurately reflect the status of the appointment.

Write or telephone for an application form or send detailed c.v. to R.J. Cleland, quoting **ref: ES88/556/FT** on both letter and envelope. No details are divulged to clients without prior permission.

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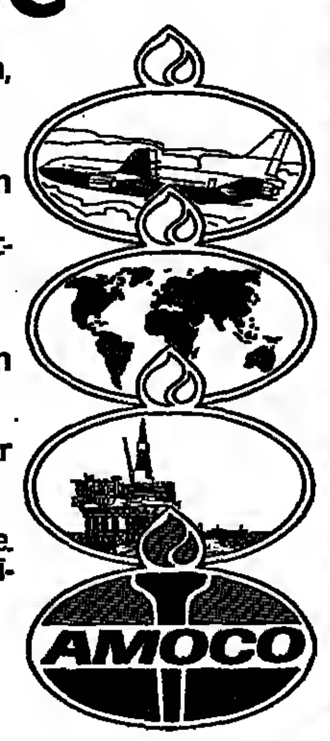
Petroleum Negotiations Representative



The Negotiations Department of Amoco Europe and West Africa, Inc (a subsidiary of Standard Oil Company, Indiana) is responsible for co-ordinating the activities of Amoco's negotiations with Governments and other companies in connection with the acquisition, maintenance and disposal of oil and gas exploration and production rights in Europe and West Africa.

We are seeking to expand our negotiations staff by the recruitment of an additional negotiator. The ideal candidate would be a young Lawyer, experienced in the field of oil and gas exploration, preferably with a working knowledge of French. Prior negotiating experience is not essential but candidates should have an interest in developing a career in negotiations.

Applications from candidates without previous oil and gas experience will be considered if they can otherwise demonstrate their suitability. We expect the position to be filled by a candidate who regards foreign travel as a plus.

A first class salary will be offered commensurate with experience. Benefits and conditions are those normally associated with a multinational company. Comprehensive assistance with relocation expenses will be provided where appropriate.

Please write with full details to Mrs. L. T. Nee, Employee Relations Amoco Europe & West Africa Inc, Amoco House, 1 Stephen Street, London W1P 2AU.

Information Services International Merchant Banking

City — *£18,000 – £25,000 + Substantial Bank Benefits*

Our Client is one of the leading International Merchant Banks both in the City and overseas. The Company is undergoing a radical revision of its Information Services Department to meet progressive medium and long term strategic business plans, which take account of the rapidly changing environment in the financial services sector.

An exciting opportunity exists within the Systems Development Group for Business Analysts who can contribute to and influence the formulation of Information Technology strategies and their relation to overall business plans. Suitable candidates should be graduates, with significant experience in the financial services sector, preferably including direct involvement in some or all of the following areas:–

Accounting • Banking • Capital Markets • Investment • Treasury

Essentially they will be familar with current IT trends and will be capable of relating these to business needs, and so identify opportunities to enhance the Company's profitability and competitiveness.

To arrange an initial interview please contact **John Pitt,** who has been retained as the Advising Consultant, on **01-935 0671,** or write enclosing a CV to SCR's London office at the address given below.

Technical, Sales & Management Appointments

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Paris — **c£25,000**

Our client, a small research house based in Paris, generates exceptionally high quality research products on several European Markets. They now seek a high calibre investment analyst to play a key role in the company's further development.

Probably aged 27 to 33, the ideal candidate will have had several years experience of investment analysis, preferably within European Markets. Knowledge of European languages will be useful and although written material will be produced in English, fluency in French is essential, as is the ability to effectively interview senior company directors and quickly establish a rapport with them.

The successful individual, who will be self motivated and capable of operating in an autonomous capacity, will report direct to the Chief Executive and initially specialise in French and Swiss companies, but will also be involved in the development of further markets. There is scope for the right person to achieve a board level promotion.

Remuneration will be made attractive to the right individual and full relocation assistance will be provided.

Please contact **Stephen Embleton,** Investment Division, 23 Southampton Place, London WC1A 2BP, telephone **01-404 5751.** Strictest confidentiality is assured.

MP

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City/South of England — **c £17,000 + Car**

We have been retained by a major international insurance brokers to recruit an experienced and dynamic manager to head and motivate a small, professional credit insurance team.

The post presents a unique opportunity to spearhead the planned expansion of an existing operation. It is therefore essential for candidates to demonstrate a successful development record through a proven ability to negotiate convincingly at the highest levels.

This is an ideal opening for an applicant aged 27-40, with extensive knowledge of both domestic and overseas credit insurance.

Salary will be negotiable and in addition the position will carry a company car, non-contributory pension scheme and free healthcare insurance.

Write to or telephone in strictest confidence:-

**Tony Normile Managing Director,
Inter-Selection Insurance Recruitment (Southern) Ltd.,
New Zealand Insurance House,
118/119 Fenchurch Street, London EC3M 5BA.
Tel: 01-626 8021**

INVESTMENT ANALYSTS

General Accident has vacancies in the Investment Department for Investment Analysts.

Ideally, candidates will have several years experience of analysis in stockbroking, banking or other financial institutions and be able to display a sound knowledge of the UK equity market. Consideration will also be given to candidates at an earlier stage of career development who are now ready to move into a more demanding position.

Starting salaries will depend upon experience; in addition, an attractive benefits package is offered including pension and sickness schemes and house purchase facilities. The posts are based at General Accident's World Headquarters in Perth, Scotland.

Write in the first instance, giving brief details of career, qualifications and present salary, to:
The Staff Manager (Head Office)
General Accident, Pitheavlis, Perth PH2 0NH

General Accident

BANK OF ENGLAND ECONOMICS DIVISION

The Economics Division of the Bank of England has vacancies for two economists, with strong quantitative skills, probably in their late twenties. They will join a team of some forty economists engaged in policy analysis and research related to the economy and financial system of the United Kingdom. Preference will be given to candidates with experience of macro-economic models, or of international economics, particularly exchange rates and international capital flows.

Appointments will be on contracts of two or three years. Salaries will be negotiable, depending on age and experience, but are unlikely to be below £10,000.

Application forms are available from: **C T Taylor, Economics Division, Bank of England, Threadneedle Street, London EC2R 8AH (or by 'phoning: 01-601 4618 or 4832).**

They should be returned by Thursday 4 April together with any relevant examples of work.

BANK OF ENGLAND

STATISTICAN/ BUSINESS ANALYST

CIRCA £13.5 K — **SOUTH COAST**

The Frizzell Group is one of the country's leading insurance broking and financial services groups with offices throughout the UK and growing international interests. Statistics and O.R. techniques will play a vital role in furthering the Group's activities in the rapidly developing market for personal financial services.

The Group operate a very large private motor insurance account placed in the Lloyds market. Statistical analysis is recognised as a fundamental management tool for maintaining the underwriting profitability and price competitiveness of the account. We are looking for an experienced statistician to provide the technical analysis and interpretive skills to support this key activity.

Forming part of the Operations Research Department the Statistician will also provide statistical and analytical support to a wide range of other activities, including business planning, market research, financial modelling and management information systems design.

Applicants should be graduates in Statistics, Mathematics or Operational Research with several years' relevant experience of the application of statistical techniques in a commercial environment, preferably within the financial services industry. Good oral and written communication skills will be necessary.

The company offers excellent terms of employment including free private medical cover, health insurance and preferential pension arrangements. Comprehensive relocation assistance will be provided where appropriate.

FRIZZELL

Please write in the first instance with C.V. to: S.M. Woolridge, Personnel Manager, Norman Frizzell Motor & General, Frizzell House, County Gates, Poole BH13 6BH.

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R.P. Martin are looking for some of the best brokers in the business to join their Commercial and Local Authority departments. Specifically we require experienced dealers for the local authority, commercial, building society, interest rate swap and special finance sectors of the market.

We recognise that our staff are our most important asset. For that reason we're prepared to reward experience, commitment and above average ability with the remuneration and exceptional long term career prospects which only an international money-broking company as profitable and broad-based as ours can offer.

If that sounds like the kind of deal you think you deserve and if you're confident you can convince us you're worth it too, please either telephone Mr Robert Spragg on 01-600 8691 or write with a full c.v. to Miss Helen Forrest, R.P. Martin p.l.c., 4 Deans Court, London EC4V 5AA.

EQUAL OPPORTUNITIES

British Railways Board has a firm policy to apply equal opportunities for recruitment, terms of employment and progress throughout the industry. It wishes to ensure that the policy is fully effective and requires a Project Manager to assist in the initiation, promulgation and monitoring of action implementing equal opportunities.

Applicants must have a sound knowledge and understanding of the industrial environment and awareness, and experience of the issues involved. A conviction about the principles and attitudes to be applied is required together with an ability to inspire and influence managers, staff and Trade Unions to make the changes necessary.

Salary to be negotiated.

Applications should be addressed to:
Managing Director, Personnel, British Railways Board, Rail House, Euston Square, P.O. Box 100, London, NW1 2DZ, to arrive by 2nd April 1985.

SCHRODER FINANCIAL MANAGEMENT LIMITED

FINANCIAL CONSULTANTS

Schroder Financial Management Limited are seeking to back individuals, with latent entrepreneurial ability, residing in South-East England.

An attractive package comprising training, financial and logistical support will be made available in the successful development of the consultants' own financial services practice.

In the first instance write in strictest confidence to:

The Manager, Regional Centre
Schroder Financial Management Limited
Miller House, 43-51 Lower Stone Street
Maidstone, Kent ME15 6LN

ENTREPRENEURIAL ACCOUNTANT £18,000

Imagination and flair are the prime requisites to assist in the development of capital markets. A qualified Accountant who has 1/2 years' corporate tax experience is essential, as you will be involved in bringing together both lenders and borrowers in both the U.S. and Far East markets.

EUROBOND SUPERVISOR £14,000

American merchant bank requires a Senior Settlements person who is looking for a challenging management role. As assistant to the Manager you will be supervising your own section and deputising in his absence. Age 26/32 with approximately 5 years bond settlements experience. Mortgage and bonus are offered.

ACCOUNT OFFICER £13,000

Major merchant bank requires an ambitious graduate with approximately 18 months' corporate credit analysis. Working on international portfolios you will be expected to research and assess new business and market to multinational clients.

EXECUTIVE—LOANS ADMIN £10,000

Expanding merchant bank requires a Senior Loan Administrator for a newly established department. The successful candidate will concentrate on special transaction administration including a wide variety of tasks. Solid domestic experience, together with 'A' levels and A.I.B. are required. Ability to manage staff and contribute to the general development of the section are essential.

FOR FURTHER DETAILS OF THESE AND OUR OTHER CURRENT VACANCIES PLEASE CALL
MIKE BLUNDELL JONES on
01-236 1113 (24 hours)
PORTMAN RECRUITMENT SERVICES

Morgan Grenfell & CO. LIMITED.

Institutional Sales & Research

We are seeking an institutional sales executive and a research analyst to join the International Dealing Company of Pinchin, Denny & Co., shortly to become part of Morgan Grenfell Securities Ltd.

The successful candidates are likely to have had at least two years' experience in international equities and will also be fluent in two or more European languages including English.

Remuneration will be based on experience and will include such benefits as a preferential mortgage scheme, non-contributory pension, BUPA etc.

Applications, including brief details of career to date, should be sent to:

P. M. Lefevre, Head of Personnel, Morgan Grenfell & Co. Limited, 23 Great Winchester Street, London EC2P 2AX.

On your way up in Financial Management?

Take a step nearer the top

c£18,000 p.a.+car — *Midlands*

Our client is a blue chip international manufacturing group with a wide variety of interests in consumer and industrial markets, operating through a large number of subsidiaries in the UK and abroad.

The provision of effective financial and management systems is vital to continued success and profitability.

An equally important commitment to management development has resulted in promotions to senior financial positions for a number of high calibre Accountants, which in turn have created outstanding career opportunities to join a highly professional team.

In an environment where extensive use is made of computers, you will be responsible for reviewing the effectiveness of financial and management control systems covering all aspects of the Group's activities. This will involve travelling throughout the UK and occasionally overseas.

Aged around 30, you will have gained several years' experience in a senior management role since qualifying as an Accountant, and will have demonstrated your analytical and problem-solving skills in the assessment and development of financial procedures and controls. You will need the ability to work and communicate effectively at senior levels.

On offer is an excellent salary with c£18,000 p.a. as a guide, together with a company car and a first class range of large group benefits including private medical insurance and relocation assistance, if appropriate. More important are the excellent prospects for your career advancement.

Please write with full career history to: Confidential Reply Service Ref: ABO 871, Austin Knight Advertising UK Limited, Tricorn House, 51-53 Hagley Road, Birmingham B16 8TP.

Applications are forwarded to the Client concerned, therefore companies in which you are not interested should be listed in a covering letter to the Confidential Reply Supervisor.

Austin Knight Advertising

JAMES CAPEL & CO.

require a

JUNIOR DEALER

to join a highly successful team in their Fixed Interest Department. Previous Gilt/Fixed Interest experience is preferable but not essential. Starting salary will be competitive and there are excellent prospects for career progression.

If you think you might be interested, please write in confidence, with details of career to date, to:-

D. Schulten,
James Capel & Co.,
Winchester House,
100 Old Broad Street,
London EC2N 1BQ.
Tel: 01-588-6010

CAPITAL MARKETS

Eurobond Trading Trainee

Toronto Dominion International Limited, the merchant banking arm of the Toronto Dominion Bank Group, is seeking a young trainee, preferably a graduate, with two or three years' merchant investment banking or stockbroking experience and a strong interest in developing a Eurobond trading expertise.

The position would be involved in early direct interaction in the professional market and client base as part of a rapidly expanding team. The successful candidate will be able to demonstrate strong interpersonal skills and an ability to work under pressure within a team structure — excellent potential exists to specialise in the Capital Markets area or to move into Corporate finance and account management after three or four years.

A fully competitive salary and benefits package will be offered.

Qualified candidates should forward a CV to Mark Heyes,
Manager, Human Resources,
Toronto Dominion International Limited,
St. Helen's, 1 Undershaft, London EC3A 8HU.

TD

P.A.

Finance and Administration

Age 23-30 — US Broker — up to £17,000

Our client, a major US Investment Bank, will shortly appoint a PA, reporting directly to the Managing Director of the International Division. His/her duties will include advising on the following:

* Accounting – budget preparation, financial data, etc.
* Computer/office systems
* Communications – telex, telephone, etc.

The successful candidate, possibly an ACA, must have basic accounting skills and a working knowledge of up-to-date office systems. Ideally the experience will have been gained within the financial environment. He/she will be liaising with a number of overseas offices and will have to demonstrate that they have tact and poise as well as the organising and numerate abilities demanded for this key appointment which is likely to have increasing responsibilities. A highly competitive salary will be negotiated.

Please apply to Jock Coutts, Career Plan Ltd., Chichester House, Chichester Rents, Chancery Lane, London WC2A 1EG, tel: 01-242 5775.

Career plan LIMITED
Personnel Consultants

Editor

to c£25K — City

Experienced Journalist with some knowledge of financial markets is sought by a highly successful organisation about to launch an International Investment Magazine.

Based in London, you will be responsible for setting up a journalistic team, editing, contributing to and co-ordinating the monthly publication. Overseas travel will be necessary.

Salary will be to c £25,000 + benefits, but remuneration will not be considered a limiting factor for a candidate of exceptional quality.

Please write to:
Halina Scharf, Consultant,
Management Selection Division,
PER, 4th Floor, Rex House,
4-12, Regent Street, London SW1Y 4PP.

PER MANAGEMENT SELECTION

Yen Bonds – Sales and Trading

Our client, a major UK Bank, is a leading market maker in Samurais and Euroyen. Continued expansion in their capital markets' activities has resulted in several opportunities for both sales executives and traders with previous experience in the above markets.

A competitive remuneration package including an attractive bonus scheme and other benefits is available and will be negotiable depending on age and experience.

Interested applicants should contact **Chris Smith on 01-404 5751** or write to him at the Banking and Finance Division, 23 Southampton Place, London WC1A 2BP, quoting ref. 3482.

MP
Michael Page Partnership
International Recruitment Consultants
London Bristol Birmingham Manchester Leeds Glasgow
Brussels New York Sydney

MERGERS & ACQUISITIONS – ACA

A major British bank seeks two ACA's with experience, gained within a leasing environment, of some, or all of the following:-

Tax planning, systems accounting, pricing policy, mergers, acquisitions, feasibility studies, new financial product development etc. This is a Head Office corporate strategic planning role, hence excellent interpersonal skills, coupled with a commercial awareness, are required, as discussion at Board level, both internally and externally is envisaged. Salary: £17-25,000+.

INTERNATIONAL ACCOUNTING

The leasing subsidiary of a U.S. bank has a vacancy for a graduate 'top 8' trained ACA aged about 27 years, in their European head office. Duties will be management reporting, statutory accounting, tax planning and a genuine involvement in the company's corporate decision making process. 20% travel to European subsidiaries is required hence a knowledge of German or French would be advantageous. Salary: c£15,000 + Bank Benefits.

YOUNG LEASEBROKERS

Three bank Principals seek motivated, successful and career minded Leasebrokers. In addition to obvious negotiating skills, in-depth evaluating and documentation skills are pre-requisites. Transactions are U.K. tax based and values are generally in the £1m-£5million range, and can encompass Sales Aid-Vendor Programmes. Salary: Neg c£20,000 + Full Bank Benefits.

For the above vacancies please contact: Peter Haynes or Brian Gooch

CAPITAL MARKETS/SWAPS

Our clients are prime U.S. Merchant Banking Institutions seeking to expand their existing marketing teams. Senior Capital Markets Marketing Executives aged 25-35 are required to seek mandates in France and the West Coast, U.S.A. territories. In addition a Swaps Executive is sought with experience in the marketing and execution of interest rate and currency swaps. In each case candidates should offer several years experience in the active capital markets environment supported by a degree or professional (ACA, Law) qualification. Salary: £neg.

Please Contact: Bryan Sales

All applications will be treated in confidence.
Jonathan Wren & Co Ltd, 170 Bishopsgate, London EC2M 4LX
01-623 1266.

Jonathan Wren
BANKING APPOINTMENTS

Treasury Management

London **c£25,000**

For a major international firm which is expanding the treasury consulting services it offers to a growing range of financial sector and corporate clients in the UK and in Europe.

Your work may include studies of the scope and effectiveness of corporate treasury functions; reviews of banking relationships and electronic banking services; the design of treasury reporting systems; and the design and implementation of treasury software. You will be part of a young and highly committed team of specialists from a variety of backgrounds, and the openings offer a high level of responsibility and significant opportunities for career progression.

Probably in your late 20s, you should be a graduate or qualified accountant with good quality treasury experience gained in banking, consultancy or a corporate treasury department. The salary indicator is around £25,000 with attractive fringe benefits and remuneration will not be a limiting factor.

Write in confidence to John Cameron, quoting ref. C353 at 10 Bolt Court, London EC4 (telephone 01-583 3911).

Chetwynd Streets
Management Selection Limited

BCC

CITY BANKING OPPORTUNITIES

BCC requires for its Central Credit Division:

CREDIT OFFICERS (ref A/1)

Applicants should have spent the last five years in the credit function of a bank. A sound knowledge of trade finance would be an added advantage. Alternatively, applicants should have been trained as accountants with at least five years professional experience who would like to pursue a career in banking. Maximum age 28 years.

GRADUATE TRAINEE OFFICERS (ref A/2)

Graduates who would like to pursue a career in banking. Selected candidates would be given training before being assigned to the credit function. Maximum age 24 years.

A competitive package of salary and benefits will be available.

Eligible candidates *must* have residential status in the U.K. and should apply in confidence, latest by 31st March 1985, enclosing a full C.V. with a passport size photograph to:

D. R. Oshidar, Central Credit Division,
Bank of Credit and Commerce International S.A.,
Licensed Deposit Taker,
100 Leadenhall Street, London EC3A 3AD.

Institutional Sales

INTERNATIONAL MINING

Laing and Cruickshank have built up in recent years a range of research products in the international mining field, in particular gold in South Africa, Australia and Canada. Experienced sales executives are now needed to augment this successful team.

The positions will appeal to individuals aged between 25-40 who have international sales experience or will have been *managing natural* resource assets and who wish to make a major contribution within an environment where there are no restrictions on achieving their full potential. They will be motivated self starters interested in adding to a good basic salary with a generous performance related bonus.

Salary is negotiable and the total remuneration will reflect *the seniority of the successful* applicant. Please write or telephone: John Fernyhough, Laing & Cruickshank, Piercy House, 7 Copthall Avenue, London EC2R 7BE. Tel: 01-588 2800.

Laing & Cruickshank
MEMBER OF THE STOCK EXCHANGE

FINANCIAL INFORMATION SERVICES

Rates Reporters. Salary: £8,500
Contribution Executives. Salary £8,000

Our client is recognised as an international leader in the provision of on-line financial information to major clients in the **City of London.** Their commitment to providing their customers with accurate and timely *information, together with outstanding service, prompts their requirement to appoint two* **Financial Rates Reporters** and two **Contribution Executives.**

The Reporters will be required to gather trading information directly from the money markets, assess the information and then to input that validated information into the system. The Contribution Executives will be required to call contributors to ensure current and valid information, liaise with new contributors and subsequently format pages and update the system index. Considerable customer contact both by telephone and in person is required in all these appointments.

Successful candidates are likely to be aged in their early 20's, will be intelligent, well presented, articulate individuals who after a period of in-house training will be competent and confident in dealing with executives within the challenging City environment.

The salary package includes a regular review procedure, together with major company benefits. There are also excellent opportunities for career development within this successful organisation.

For further information would you please contact Andrew Goodman on 01 486 8591, or write to him at the address given below quoting Reference Number NM0737.

Duke House, 37 Duke Street, London W1M 5DF
Telephone: 01-486 8591

OGILVIE EXECUTIVE
PERSONNEL AND MANAGEMENT CONSULTANTS

Risk Administration Ltd.

Independent Specialist in
Credit and Political Risk Insurance
London (City) and Midlands

- Are you a professional account executive/broker or new business developer/broker?
- Are you effective at the most senior levels of large groups?
- Are you a really bright individual with drive and skill, who has board potential?

This new company, under highly experienced management in this field, with the *backing of a major international financial group, needs some really bright people for* their start-up, with experience and entrepreneurial flair.

Salary will *not* be restricted by large group constraints—a very attractive package related to effort and reward can be negotiated. This is an exceptional career opportunity.

Please write or ring Anthony Falcon, quoting ref. 434A at Courtenay Stewart International Ltd., Management Selection and Recruitment Consultants, who have *been retained* by Risk Administration Ltd for these appointments.

COURTENAY STEWART INTERNATIONAL LTD.
11 Maddox Street, London W1R 9LE. Tel: 01-491 4014.

FOREX APPOINTMENTS

For Foreign Exchange and Money Market appointments at all levels consult a specialist

TERENCE STEPHENSON
Prince Rupert House, 9-10 College Hill, London EC4R 1AS - Tel: 01-248 0283
20 years market experience

OMNIBANK AG

Omnibank AG London is seeking two persons of graduate calibre probably aged between 24/30 to join its small but rapidly expanding Credit and Marketing Department.

PROJECT FINANCE OFFICER

This position requires someone with proven credit and analytical international project finance knowledge and skills and at least eighteen months' working experience with an international bank. The work will be highly challenging and deal oriented. A knowledge *of German will be useful though not* essential.

CREDIT OFFICER

This position requires at least eighteen months' experience in the analysis, presentation, *implementation* and *review* of credits, probably acquired in a US bank. There will be substantial customer contact and marketing on a transaction by transaction basis.

Both positions will provide domestic and *international* exposure to a variety of financing situations and techniques in many industries as well as considerable personal development opportunities for the successful person. A competitive remuneration *package is offered.*

In February 1985 Omni Holding AG, Zurich bought Phibrobank AG, Zug which will shortly be renamed Omnibank AG. The bank which is well known for its trading finance, commercial *banking and private banking services out of both* Zug and London, has new direction, a considerably wider development scope and major expansion plans.

Applicants with the necessary minimum or higher qualifications should write with detailed cv to:

Mr. T. G. Petropoulos,
General Manager,
OMNIBANK AG, London Branch,
Moor House,
London Wall, EC2Y 5JE.

Treasury Operations Manager

CC Soft Drinks Limited, a subsidiary of The Coca-Cola Company and one of the country's leading soft drinks manufacturers, seek a Treasury Operations Manager.

Reporting to the Treasury Services Manager, the successful applicant will have broad treasury experience and will be familiar with all aspects of cash and balance sheet management. Knowledge of corporate tax implications will be a distinct advantage, as will good communications skills.

The successful candidate is likely to be aged between 30 and 40.

In return, we offer an attractive salary, generous benefits and excellent prospects.

Please write with full career details to Helen Loughlin, Recruitment and Training Manager, CC Soft Drinks Limited, Club House, Hanworth Road, Sunbury-on-Thames, Middx TW16 5DF.

CC Soft Drinks Ltd.
The Coca-Cola Company

Trust Manager

c. £17,000 + Bonus

Our client, is a rapidly expanding offshore based investment management company servicing a worldwide client base.

The Trust and Corporate Services *Division is currently enjoying* significant growth and consequently seeks to recruit a Senior Trust Administrator to support their development.

Ideally, candidates should be qualified AIB or ACIS with a minimum of 3 years' trust and company administration experience in a financial institution or professional practice.

The salary package is negotiable depending on age and experience, and is particularly attractive in view of local tax rates. Relocation expenses will be provided where appropriate.

Interested applicants should contact **Charles Reeves or Neil Nokes** on 01-404 5751 or write to them at the Banking and Finance Division, 23 Southampton Place, London WC1A 2BP, quoting ref 3481.

Strictest confidentiality is assured.

MP
Michael Page Partnership
International Recruitment Consultants
London Bristol Birmingham Manchester Leeds Glasgow
Brussels New York Sydney

INVESTMENT ANALYST

British Railways Pension Funds, whose assets approach *£4 billion, are currently seeking an experienced analyst to join its* U.K. equity team.

Applicants should be self-motivated individuals in their mid twenties with a University *degree or equivalent professional* qualification and at least two years relevant Stock Market experience.

The successful candidate will have responsibility for the fund's investments in a range of U.K. sectors and have the potential to progress to fund management.

An attractive remuneration package, including rail travel *benefits*, will be offered to the right candidate.

Applications, enclosing a full curriculum vitae, should be sent to:

The Investment Manager,
British Rail Pension Trustee Company,
50, Liverpool Street,
London EC2P 2BQ

We're getting there

HEAD OF SETTLEMENTS

to £18,000

Our client, a major UK institution based in London is seeking candidates for the position of Head of Settlements.

The successful candidate will have a well developed knowledge of procedures involved in settling transactions across a wide range of investment instruments and international currencies. This experience will have been gained during a period of 5 or more years progress within a securities/settlements function.
This position will provide you with the opportunity to take first-line supervisory responsibility for controlling and developing the support function.

Reporting to the Head of Investment you will have responsibility for up to 10 staff and will be expected to contribute to the development of computerised settlement procedures. Travel to overseas correspondent banks will occasionally be required.

Applicants for this varied and important appointment should reply in strictest confidence enclosing a c.v. to **Derek A. Burn, MCP Consultants, Halton House, 20 Holborn, London EC1N 2JD.**

MCP Consultants
Financial Sector Human Resources

DEALER
Chase Bank (Ireland) Limited
Belfast

Chase Bank (Ireland) Limited, a wholly owned subsidiary of the Chase Manhattan Bank N.A., has a vacancy at its Belfast branch for a junior dealer. Core responsibilities of this position will be to assist in the day to day money market funding of the branch and in marketing the Bank's treasury services to corporate and institutional customers. A minimum of one year's relevant dealing experience is essential.

Salary and appropriate banking benefits will be discussed at interview. *Please write—in confidence—to Manager Human Resources*

CHASE

Chase Bank (Ireland) Limited,
11 Donegall Square South,
Belfast BT1 5DL.

EUROBOND SETTLEMENTS
ASSISTANT MANAGER

Age 25-35

£13,000-£15,000

+ early review and first-class benefits package

A rare opportunity has arisen to join as Number Two in our Settlements Department.

To apply for this position you should have several years' first-class experience gained with a prominent securities house; be capable of assuming immediate staff supervisory responsibilities; be strong on systems and organisation as well as possessing wide technical knowledge of most aspects including yen settlements.

There are good prospects for career advancement.

Lack of formal qualifications need not be a bar to the successful candidate as emphasis will be placed on personal qualities and experience.

Please write with full c.v. to:

OPERATIONS MANAGER
SUMITOMO FINANCE INTERNATIONAL
107 CHEAPSIDE, LONDON EC2V 6HA

Top Executives

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Can you afford to waste nearly £2,000 a month in delay? Minster Executive specialises in solving the career problems of top executives. The Minster programme, tailored to your individual needs and managed by two or more partners, is your most effective route to those better offers, 75% of which are never advertised.

Our clients have an impressive record of success; many blue chip companies retain our services in the redeployment of their top people.

Telephone or write for a preliminary discussion without obligation—or cost.

MINSTER EXECUTIVE LTD
28 Bolton Street, London W1Y 8HB. Tel: 01-493 1309/1085

FINANCIAL FUTURES SALES

Rapidly expanding futures company requires experienced sales person to join its sales team. This is an excellent opportunity for a highly motivated individual. Age is no barrier although the successful candidate (male or female) will probably be between 24-34 years of age. The salary package will reflect the candidate's experience and we will offer a generous commission-sharing scheme.

Write Box A8941, Financial Times
10 Cannon Street, London EC4P 4BY

CJA

RECRUITMENT CONSULTANTS
35 New Broad Street, London EC2M 1NH
Tel: 01-588 3588 or 01-588 3576
Telex No. 887374 Fax No. 01-638 9216

Opportunity to embark upon Corporate Finance career with early prospects of increased responsibility and earnings.

CORPORATE FINANCE EXECUTIVE – BANKING

CITY

£14,000 – £18,000

FAST DEVELOPING MERCHANT BANKING ARM OF SUBSTANTIAL INTERNATIONAL FINANCIAL SERVICES GROUP.

For this demanding new appointment, the result of expansion, we seek recently qualified Chartered Accountants or Solicitors, aged 23–27. A broad professional training in a leading international firm specialising in the corporate field is essential and experience which relates to corporate finance activities or investigations will be a definite asset. Working within the Corporate Finance Group, the successful candidate will be involved immediately in all aspects of the work of a busy department, including, inter-alia, take-overs, mergers, acquisitions and new issues and will be encouraged, at an early stage, to play an increasing role with growing responsibilities. Total commitment is necessary together with communication skills, financial judgement plus the ability to make a full contribution with the minimum of direction and supervision in a fast-moving, high pressure environment. Initial salary negotiable £14,000 – £18,000, mortgage subsidy, non-contributory pension, free life assurance and private health benefits. Applications in strict confidence under reference CFE4322/FT to the Managing Director:

CAMPBELL-JOHNSTON ASSOCIATES (MANAGEMENT RECRUITMENT CONSULTANTS) LIMITED,
35 NEW BROAD STREET, LONDON EC2M 1NH. TELEPHONE: 01-588 3588 or 01-588 3576. TELEX: 887374. FAX: 01-638 9216.

*Please only contact us if you are applying for the above position.

Capital Markets/Lending

Senior Marketing Executive

c £40,000

Our client, a prime US bank, is currently enhancing its marketing capabilities and consequently seeks to recruit an experienced U.K. Corporate Banker. The successful candidate will take full responsibility for a number of the bank's major multinational clients. The role will include utilising the bank's resources to provide innovative solutions to clients' financial requirements.

Candidates for this demanding and highly responsible position must possess:

★ Capital markets and commercial bank experience
★ Ability to identify/close transactions
★ Confidence to negotiate at board level with major companies
★ Comprehensive understanding of world financial markets
★ An imaginative, innovative and aggressive approach

The remuneration package is negotiable and will depend on age and experience. Interested applicants, aged 30-45, should contact **Chris Smith** on **01-404 5751**, or write to him at the Banking and Finance Division, 23 Southampton Place, London WC1A 2BP, quoting ref 3472.

MP
Michael Page Partnership
International Recruitment Consultants
London Bristol Birmingham Manchester Leeds Glasgow
Brussels New York Sydney

BADENOCH & CLARK

FUND MANAGEMENT

c.£25,000 + BENS

Our client, a leading U.S. Merchant Bank, has established itself as a major force in International Fund Management, and has two specific current requirements.

We would welcome applications from candidates with at least two year's experience in either:

(i) *FIXED-INCOME* – discretionary portfolio management of domestic U.S. issues, Eurobonds and government stocks

or (ii) *EUROPEAN EQUITY FUND MANAGEMENT* – preference for experience in Germany, Scandinavia, France or Benelux.

Candidates would be expected to have had a sound research/analysis background, the ability to advise on stock-selection and effectiveness in dealing with clients. The remuneration package will be particularly attractive for the right candidate.

CAPITAL MARKETS EXECUTIVES

£ Negotiable Package

As a result of heavy demand amongst our clients, which include leading Accepting Houses and International Merchant/Investment banks, we would be interested in meeting young Executives with at least twelve month's experience in the Capital Markets group of an established House.

Highly qualified individuals, possibly with a Law degree, should have gained experience in documentation or executions and a knowledge of a geographical sector of the Bond Market. A high emphasis is placed upon the ability to raise new business and service existing clients.

If you are ambitious to further your career in a challenging new position, and would like to develop your skills in such fields as Product Origination, Business Development, Syndications or Swaps:
please contact **Christopher Lawless** or **Stuart Clifford** for a confidential discussion.

Financial Recruitment Specialists
16-18 New Bridge St, London EC4V 6AU
Telephone 01-583 0073

BREWERY ANALYST

A respected, medium-sized firm of London stockbrokers seeks an analyst to work on the brewing and distilling sector.

Experience of the sector, though desirable, is less important than analytical skill and the ability to communicate both verbally and in writing. Candidates may have developed these skills either in the City, industry or in an academic position.

A competitive remuneration package is offered.

Write in confidence, with CV, to Box A8938, Financial Times, 10 Cannon Street, London EC4P 4BY
giving the names of any firms to which applications are not to be forwarded.

Pensions and Benefits Executive

The Northern Foods Group has wide ranging interests in the food industry, both in the UK and the USA. Total sales are well in excess of £1 billion and 18,000 people are employed in the UK alone.

There are three main divisions covering Milk and Dairy products; Milling and Baking; and Meat. Whilst these divisions have substantial autonomy, there is centralised administration of Pensions, Profit Sharing and management salaries.

We are now looking for someone based at the Group's head office in Hull to head up the administration of Pensions and other benefits.

Main features of the job are:—

Overall control of both investment and membership of the Northern Foods Superannuation Fund, which is a growing, self-administered scheme currently with 7,000 contributing members, 1,000 pensioners and assets valued at around £75 million.

Control of the Group's share-based Profit Sharing Scheme, which has some 8,000 participants.

Responsibility for payment of the Group's management salaries.

Direct involvement with the salaries and benefits of senior management.

Aged 35-45, applicants will be graduates with a proven management record, including in particular the control of a substantial pension scheme. Ideally, he or she will have had exposure in the area of salaries and other benefits. Whilst there is a clear requirement for sound administrative ability, we also greatly value the qualities of flair and imagination in the handling of these areas.

This is an important senior appointment, which will be reflected in the salary and other benefits, including company car and relocation assistance.

Please write, giving brief details of age, qualifications, experience and current salary (selected candidates will be asked to complete an application form) to:—

Jim Vint, Group Personnel Manager,
Northern Foods plc, Beverley House, St. Stephens Square, HULL HU1 3XG.

Northern Foods plc

HG HOARE GOVETT (BOND BROKING) LIMITED

Eurobond Broking

It is our intention to increase our commitment to the market substantially.

If you feel that you have the stature and integrity to be able to conduct business within the constraints of the professional broking structure, we should be pleased to hear from you.

You will be currently involved in either Eurobond broking or trading, although dealing experience in the primary market could provide an appropriate background.

We do not envisage that remuneration will be any bar to the right individuals.

Write in confidence to:
The Company Secretary,
Hoare Govett (Bond Broking) Limited,
Heron House, 319/325 High Holborn, London WC1V 7PB.

Oil Analyst

Our client is a medium sized U.K. firm of Stockbrokers with international business and an excellent reputation for their coverage of certain equity sectors. They seek an able analyst to compliment their natural resources team.

The successful person will probably be aged 24 to 30 with several years investment research experience, a good understanding of the oil sector and proven written ability.

The position will involve joining a small sales/research team and taking over responsibility for the firm's output on oils to gradually include some European companies. It is envisaged that this will appeal to and ambitious individual who now seeks greater scope for advancement.

Please contact Fiona Stephens who will treat all enquiries in the strictest confidence.

Stephens Associates
International Recruitment Consultants
44 Carter Lane, London EC4V 5BX. 01-236 7307

PERSONAL FINANCIAL PLANNING

A leading UK Institution with a unique investment idea wish to appoint three people between 30 and 55 for its marketing operations, possible earnings excess of £30,000 per annum (commission)

Telephone Ian Kirkwood
on 01-831 8681
SUN LIFE UNIT SERVICES

CORPORATE FINANCE BUSINESS DEVELOPMENT

A very active International Investment/securities Institution, expanding into Corporate Finance are interested to speak to established UK bank representatives with a sound knowledge of the important corporates and institutions.

CORRESPONDENT BANKING

A well known International bank, with a particular interest in trade related business are seeking to increase their market share by appointing an experienced banker in this sector to lead the team. A second language would be an advantage.

EUROBOND SALES EXECUTIVE

Experience in Eurobonds, FRNs or Gilt dealing/sales are preferable to join a leading market maker, but they are prepared to see experienced settlements people with a flair for sales.

BUSINESS DEVELOPMENT IN CORPORATE/TREASURY

One of client banks who are increasing their corporate sales force would be pleased to speak to a banker who is a treasury specialist with excellent foreign exchange and money market experience to head up a new sales thrust bringing these services to the UK Financial sector.

OLD BROAD STREET BUREAU LIMITED
STAFF CONSULTANTS
109 OLD BROAD STREET LONDON EC2N 1AP 01-588 3991

INTERNATIONAL CAPITAL MARKETS

Deputy Managing Director required to take charge of a very prestigious London-based International Bank's expanding Capital Markets Division with overall responsibility for Sales, Trading and Syndication. The successful candidate will already have demonstrated ability in one or more of these very important areas and probably at Director level.

A particularly attractive salary package can be negotiated by the proven candidate and interested applicants should send a detailed curriculum vitae to:

Jim Adams, Director
International Capital Markets Division

Zarak Hay Associates
Banking and Financial Recruitment.

6 Broad Street Place
Blomfield Street
London EC2M 7JH
01-628 9205/628 0494

Appointments Wanted

AMBITIOUS

Young American executive seeking position of responsibility with aggressive, entrepreneurial organisation. Legally working and residing in London. Five years' experience in international business, trading and new business development.

Write Box A.8937, Financial Times 10 Cannon Street, London EC4P 4BY

MAGDALEN COLLEGE, OXFORD

SENIOR BURSAR

(Chief Financial Executive)

Magdalen College intends to appoint to the full-time post of Senior Bursar which will fall vacant on 1st January, 1986. The Senior Bursar is the chief financial executive and is charged with the management of the considerable property and investments of the College and the administration of its income and expenditure. It is hoped that the successful candidate will be able to join the College in advance of 1st January, 1986, so as to allow for some overlap with the present Senior Bursar. The post, which carries with it a Fellowship of the College, is open to men and women.

An application form and further particulars may be obtained from the President, Magdalen College, Oxford OX1 4AU, to whom completed applications should be sent not later than 24th April, 1985.

Executives - Capital Markets

Our client, a major international investment bank, requires several executives to join their Capital Markets Group, to become involved in all aspects of New Issues documentation. Applicants should ideally be holders of an MBA, with fluency in English and at least two other European languages, and be able to produce evidence of experience within an international environment. A competitive salary plus the normal banking benefits will be offered. Please send curriculum vitae to:
B. Johnson, PER London West, 319/327 Chiswick High Road, London W4.

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A leading market maker has a vacancy for an experienced trader on active dealing desk to trade straight bonds.

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10 Cannon St., London EC4P 4BY

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Prestigious securities division of well-known European bank requires Eurobond asset and liability swaps expert with 1-3 years' experience either in marketing or execution thereof.

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Trader in above required by top-class bank.

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Mature-minded person required to assist head of Eurobond [illegible] knowledge of new issues required by this UK bank.

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Graduate with 2 years' experience in fund management (preferably Japanese linked) required by UK merchant bank.

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The one who stands out

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For an appointment Tel: Vic Groves on 01-831 7411

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A Joint Venture subsidiary of two major international corporations has, because of continuing rapid expansion, a vacancy for an experienced marketing officer. This position will be of interest to a bright ambitious graduate with two or three years' commercial experience currently employed by a merchant or major international bank as a marketing officer.

The job entails calling on large UK retailers, making presentations at board level on a range of consumer credit related products including in-store credit cards. No consumer credit experience is required as full product training will be provided.

Outgoing, tenacious, personable are some of the adjectives that will apply to the person appointed. Do not apply if all you want is a 9-5 routine.

Salary level and compensation packages are fully negotiable. Please write with your Curriculum Vitae to the address below:

General Manager,
RETAIL CREDIT CARDS LIMITED,
PO Box 200, 1 Dale Street, Manchester, M60 1DD.

European Analyst

Leading firm of London stockbrokers with a rapidly expanding European Equity Department needs another Analyst. Language(s) essential. Previous financial experience helpful.

Please write with details to Box A8942 Financial Times, 10 Cannon Street, EC4P 4BY

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A member firm require an assistant with thorough grounding in The Stock Exchange and Investment experience, to work with a group of Associate Members. Attractive salary and excellent prospects

Write Box A8943, Financial Times 10 Cannon Street, London EC4P 4BY

Our client is a medium sized British Merchant Bank, with international interests and a City of London base.
The Bank is undertaking a re-organisation and strengthening of the management team, and, a number of posts are being filled which offer attractive opportunities for career progress.

Manager-Trade Finance

£20,000 - £25,000 PA + CAR

The Manager will assume by late 1985 full responsibility for the sound management of a department which encompasses a significant part of the Bank's business. Duties will be the maintenance of sound banking practice, risk analysis, policy formulation, staff motivation and training and profitable expansion.

Candidates are expected to have fifteen years' record with e major financial institution including five or more years of international lending perhaps gained in a senior management position et an overseas branch of a UK bank. It is important that applicants have a sound appreciation of ECGD procedures and trade finance administration. Additionally they should have some practice in recoveries in the UK and overseas. Candidates should have an AIB, and a degree or professional qualification would be an advantage.

Assistant Manager-Trade Finance

£15,000 - £18,000 PA

The Assistant Manager will assume almost immediately a significant proportion of responsibility for the profitable and secure operation of the department, risk assessment, customer relations, marketing and business development. Equally important, the successful applicant will be concerned in the training and motivation of staff and quality of workmanship.

Candidates must have a number of years' good general banking training and experience with several years in international trade finance, direct exposure to business development, ECGD procedures, documentary credits and collections and proved staff management ability. An AIB or degree level qualification is expected.

The Bank offers good working conditions, subsidised mortgage scheme, 25 days' holiday per annum, contributory pension scheme, interest free season ticket loan and other benefits. Salaries will be based on experience and are broadly negotiable in the ranges indicated.

Please apply in the strictest confidence with salary history and quoting Ref 352, to Terry Fuller, Bull Holmes (Management) Ltd., 45 Albemarle Street, London W1X 3FE.

Bull Holmes
PERSONNEL ADVISERS

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c. £25,000

An international trading company requires an experienced professional to manage their foreign exchange exposure within the international markets.

The successful applicant will have at least three years' experience within foreign exchange in a recognised financial institution and be able to take a broad over-view of the market.

The position would suit an adaptable and flexible individual who not only has the technical experience required to be successful in FX but also possesses the entrepreneurial skills to be aware of the alternative opportunities in other financial markets.

Ideally aged 25-35, we offer a highly competitive package c. £25,000 with performance-related bonus and career development within a progressive company.

Please write, enclosing a curriculum vitae, to:

Company Secretary
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P.O. Box 160, 3 Regent Sareet, London SW1Y 4NR

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Applicants should have previous experience within these areas, gained either in e professional firm or with e major commercial/financial organisation.

For further details please contact Colin Perkins.

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c.£30,000 Package

Our clients, Specialist Tax Consultants and Corporate Advisors, require technically gifted ACAs, Solicitors or Barristers to augment their successful and expanding teams. An ability to deal directly with clients and previous experience in Taxation, Investigations or Acquisitions work, preferably gained from a major professional firm or leading financial institution, is essential. Contact Timothy Burrage.

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BUSINESS DEVELOPMENT MANAGER

Tomkins wishes to appoint an ambitious executive to its small head office team to assume responsibility for seeking out and assessing acquisition and organic growth opportunities and assisting in post-acquisition integration.

Applicants, ideally between 26 and 33, should be qualified accountants, have an analytical mind and have already gained appropriate experience in the City or with an industrial group. Self-motivation, drive and a commercial outlook essential. Excellent scope for career advancement.

Salary commensurate with experience; benefits include a car. Please send personal and career details, highlighting particular talents and experience considered relevant, together with photograph, to:

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Hyde Park House, 60a Knightsbridge, London SW1X 7JZ

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We have a vacancy for an experienced dealer.
The successful applicant will possess a sound understanding of all aspects of today's market and the personality to fit into a well established and professional team.
Applications will be treated in strictest confidence.
Please write with details of past career to
Chas. Dobson, Director, Butler Till Limited,
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Where markets meet

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Salary negotiable. Benefits include P.P.P., pension scheme.

Write with full curriculum vitae to: Miss Felicity Gray, Charles Taylor & Co., International House, 1, St. Katharine's Way London E1 9UN.

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We are a worldwide organization, operating sophisticated telecommunications networks for teletransmissions in the banking sector
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We are looking for an experienced banker, used to work with international banking procedures, standards and forms. His knowledge in the field of banking operations covers documentary credits, Nostro accounts management, foreign exchange. He must also have data processing experience. His function will be to assist with the development of new message standards, monitor the use of existing Message Text standards and encourage their use by bankers; to develop and monitor users training.

Ideal candidates will be between 30 and 40 years old, with a good working knowledge of spoken and written English (report writing, oral presentation). Knowledge of other languages is a definite asset.
Our company offers outstanding career opportunities in a young international team with an excellent working environment and a very attractive financial package.

Please submit your detailed resume and photo to our consultants
***Jerry RUBIN - Personnel Consultant** - Chaussée de La Hulpe 185 - 1170 Brussels.*
All applications will be answered.
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A controller is to be appointed to control the audit of the international sector. The person appointed will lead a team and be expected to travel to the Bank's overseas branches and to establish a functional relationship with branch auditors.

Applicants should have substantial banking and internal audit experience and be familiar with relevant computer-based systems and, ideally, be qualified accountants.

The Bank will match these requirements with a salary and benefits that are attractive and payable tax free at source.

Please write in confidence to M J B Ping enclosing a detailed curriculum vitae quoting reference F/195/P at Ernst & Whinney Management Consultants, Becket House, 1 Lambeth Palace Road, London SE1 7EU.

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A MAJOR U.A.E. BANK IS SEEKING

SENIOR MANAGER – OPERATIONS

POSITION: Responsible for managing banks operations, improving existing operatiooal systems, increasing efficiency and profitability.

REQUIREMENTS: Several years' recent experieoce in managing operations of e retail bank in an automated environment.

SENIOR CREDIT INSPECTOR

POSITION: To head up the credit inspectioo team responsible for determining the quality of the risk asset portfolio and to improve the procedures and practices of managiog risk assets.

REQUIREMENTS: Experienced lending officer with a detailed knowledge of international trede fioaoce, accounting, ecooomics and leodiog techniques.

SENIOR MANAGER – INTERNAL AUDIT

POSITION: To head up the internal eudit team and develop systems and controls.

REQUIREMENTS: Qualified Accouotant with experience in internal control aspects of automated retail banking.

Remuneration in line with experieoce and qualifications bowever in excess of £30,000 p.a. plus free furnished accommodation.

There are also vecaocies for credit iospectors and ioternal euditors to enhaoce the existing teams and applicatioos are iovited from persoos with several years' experience in these functions.

Applicants, preferably with e university degree or an accounting qualification, should epply with a detailed curriculum vitae and recent photograph to the advertiser:

Box A8944, Financial Times
10 Cannon Street, London EC4P 4BY

SAUDI ARABIA

Chartered Accountant

The JEDDAH CLINIC HOSPITALS group is one of the principal private hospital organisations in the Kingdom of Saudi Arabia having four hospitals in service and the fifth to be commissioned this spring.

The prime duty—responsible to the Board—will be INTERNAL AUDITING of the finance and accounting at all hospitals of the Group and based at the Group Headquarters in Jeddah will form and lead a small team.

Experience should preferably include hospital/health care finance/accountancy. Knowledge of the Arabic language is essential and although fluency is sought, consideration will be given to candidates whose language abilities are slightly less.

Excellent (tax-free) salary and benefits which include married accompanied status, newly and luxuriously furnished accommodation, generous leave schedule, air tickets and free medical care.

Curriculum vitaes please (Ref. JHC-2) to:

Dr. H. Mutabagani — Director
JEDDAH CLINIC HOSPITALS
Suite 1, 4th Floor, 1 Great Cumberland Place
London W1H 7AL

EMIRATES INDUSTRIAL BANK

SENIOR ECONOMIST

Emirates Industrial Bank is determined to make a positive contribution towards the industrialization of the United Arab Emirates.

For the above objective, the bank has formed an Information Center. The center will collect, organize, update and analyze industrial and macroeconomic information.

Appointments are being sought for e high calibre economist to be located in Dubai.

The initial salary will be on the scale $32,000 to $55,000 per annum, plus accomodation and other benefits.

Applicants will be required to have post graduate degree and at least ten years experience in applied economic research.

Applications with full personal details, qualifications, experiences should be submitted as early as possible to:

P.O. BOX 2722 ABU DHABI
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We are an international commercial company involved in the high-tech sector (micro chips and semiconductor) with excellent contacts to European industry. We have branches in the USA and Japan. Our group turnover in 1984 amounted to DM 110 million. We are looking for

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International Appointments

SENIOR SPECIALIST POSITIONS IN THE STATE OF QATAR

Qatar General Petroleum Corporation established by the State of Qatar with responsibilities covering all phases of the petroleum industry in the State including exploration, drilling, production, manufacturing (NGL & LNG), petrochemicals, fertilisers, refining and marketing, requires senior specialists in the following fields:—

1. FINANCE — Financial analysis, planning and control systems.
2. LEGAL — Verification and drawing up of legal contracts and agreements connected with the Corporation's business.
3. PROJECT ENGINEERING — Preparation of specifications and tender documents, evaluation, execution and control of projects.
4. CHEMICAL ENGINEERING — Specialised experience in LNG Projects/Process Plants is essential.
5. PETROLEUM ENGINEERING — Specialised experience in reservoir engineering and production technology is essential.

APPLICANT SHOULD HAVE:

- An appropriate educational background and where applicable a recognised professional qualification.
- A minimum of 10 years of progressive and varied post-qualification experience in large industrial organisations, preferably in the petroleum industry.
- Proficiency in English is essential and that of a second language such as Arabic or French is preferable.

SALARY OFFERED WILL BE COMMENSURATE WITH QUALIFICATION AND EXPERIENCE

Qualified candidates should submit in confidence a résumé with salary history and expected salary to:

RECRUITMENT CO-ORDINATOR
QATAR GENERAL PETROLEUM CORPORATION
P.O. BOX 3212
DOHA, STATE OF QATAR

A New Era in Australian Banking

Banking Executives

Following tha granting of new banking licances by tha Commonwealth Government of Austrelie, we heve been briefed by a number of organisations in the banking industry to locate experienced banking executives to work, mainly in Sydnay or Melbourna. Some positions are elso available in Perth, Adeleida and Brisbane.

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Complete confidentiality is assured. Written applications quoting file no. 7690 ahould be forwarded by AIR MAIL to the Sydney address below. Interviews will take place in the United Kingdom during Mey/July.

box 191 royal exchange
sydney nsw 2000
australia

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Commercial Officer

c.£32,500*
(plus 20% terminal bonus of all emoluments paid)
*At current rate of exchange

Our client, the Ministry of Defence in Oman has the above vacancy at its office near Muscat.

This is a newly created post in a small work intensive Directorate primarily concerned with drafting, negotiating, monitoring and expediting contracts with local and international suppliers for the supply of equipment, services and consumables employed by the Armed Forces.

Candidates for this position will be required to demonstrate:

a. A sound academic background e.g. MA/MBA/B.COMM/CA/ACCA/ICMA.
b. Not less than 5 years progressive and varied post-graduate industrial, commercial or professional experience and responsibility.
c. General ability in more than one discipline.
d. Negotiating and drafting skills.
e. Maturity, integrity and the ability to work unsupervised.

The post is an accompanied civilian appointment. The tax free salary is supplemented by free housing and utilities, a car and excellent sports and recreational facilities. A total of 60 days leave per year with two paid return flights to UK are granted. Contracts are for two years initially, renewabla annually thereafter by mutual agreement.

For further information and an application form please telephone Helen Griffey, 01-408 1010, ARA International, Edman House, 17-19 Maddox Street, London W1R 0EY. (Agy)

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Please send your c.v. including details of current remuneration to Yannic P. Mercier, C.E.O.

SAUDI FINANCE CORPORATION
Member of Al Saudi Bank Group
2, rue Thalberg, P.O. Box 901
1211 GENEVA 1 - Switzerland

Financial Controller/Accountant

We are international air freight forwarding agents and our business involves large industrial companies and major UK and overseas airlines. The successful applicant should be well experienced in all aspects of financial management and accounting and will be expected to ensure the smooth running of our computerised eccounting systems and report essential financial information to the directors on a regular basis.

If you can work efficiently under pressure, then please apply in writing giving full particulars to Box A8935, Financial Times, 10 Cannon Street, London EC4P 4BY.

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19 résidence Flandre, avenue de Flandre, 59170 Croix, France. Tél: Croix 72 52 25.

International Audit

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European & Foreign Nationals

Our client, a progressive multinational oil field service group, operates in over 50 countries worldwide. They seek to recruit **high calibre individuals of all nationalities** for their corporate audit department to train for overseas line management positions within 12-24 months.

Candidates, 26-31, will be qualified accountants (or equivalent) with experience in the profession or industry. Excellent interpersonal skills, a positive commercial approach, ambition and mobility are essential. Language skills are a plus.

Initial assignment will be in the corporate internal audit group responsible for conducting financial and operational audits throughout the company. In addition, a number of special projects and studies will be carried out. This will allow extensive exposure to senior management and company operations, and will involve a high degree of worldwide travel.

The company has an excellent reputation for individual development and a candidate who can demonstrate strong ability and performance can expect to be assigned overseas as a Financial Manager within 12-24 months, which will result in an enhanced remuneration package.

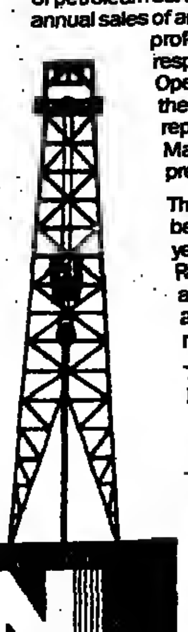
Interested applicants should contact David Nicholson ACA on **London 831 0431** or send a comprehensive c.v., to **Michael Page International, Sicilian House, Sicilian Avenue, London WC1A 2QH, quoting ref. 932.**

MP
Michael Page International
Recruitment Consultants
London Bristol Birmingham Manchester Leeds Glasgow
Brussels New York Sydney

EUROPEAN AUDIT PROFESSIONALS

International Operations
London — £12,000-£15,000

NL Industries Inc., a leading menufacturer and supplier of petroleum services end chemical products with annual sales of around $1.5 billion, requires two audit professionals to join its audit staff who are responsible for auditing International Operations in the UK, Europe, Africa and the Middle East. These positions, which report to the London based European Audit Manager, are vacant as the result of the previous incumbents being promoted.



The successful candidates will probably be chartered accountants with up to four years post qualification experience. Relevant experience should include auditing of multi-national companies and a second language is desirable but not essential.

The position is based at our Mayfair headquarters and will involve extensive UK and overseas travel.

Please reply, in confidence, giving concise career and personal details, to:

F. A. Abercrombie
International Recruitment
NL Petroleum Services
35/36 Grosvenor Street
London W1X 9FG

NL

Australia

Following the recent opening of our office in Sydney, we would be interested to hear from experienced international bankers or finance executives seeking to relocate to either MELBOURNE or SYDNEY.

We would be particularly keen to receive applications from Chartered Accountants or bankers with experience of Capital Markets, Foreign Exchange and Money Markets, Trade Finance or Corporate Finance. Preference will be given to applicants who are Australian citizens or have the possible right of permanent residency.

Applications will naturally be treated in the strictest confidence. In the first instance, please send a full Curriculum Vitae including a photograph to

Roy Webb, Managing Director,
Jonathan Wren International Ltd.,
170 Bishopsgate, LONDON EC2M 4LX,
tel: (01) 623 1266, telex 8954673 WRENCO.

London — Sydney

Jonathan Wren International Ltd
Banking Consultants

Foreign Exchange Manager

Boston Financial Limited
Sydney, Australia.

Boston Financial Limited, the wholly-owned Australian subsidiary of the Bank of Boston, is a full service Merchant Bank with branches in Sydney, Melbourne, Perth and Brisbane.

We are seeking an experienced trader to develop and supervise all aspects of foreign exchange. The Foreign Exchange Manager will report to the Director–Treasury, also located in Sydney.

Although an Australian national is preferred, Boston Financial will consider corporate sponsorship for permanent residency in Australia, as well as meeting all relocation expenses.

An attractive salary package for this important position (including company car, low rate mortgage and pension benefits) will be negotiated.

All applications will be treated in strict confidence and should be addressed to: John Watkinson, Personnel Manager,

1784

The First National Bank of Boston
5 Cheapside, London, EC2P 2DE.

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Top Financial Executive

International Business Ventures

London base **£50,000, fully negotiable**

This appointment represents a most unusual opportunity to work alongside an imaginative and creative entrepreneur of independent means, who is in the process of developing a substantial international group of companies with a London headquarters. The success of the enterprise will depend to a large extent upon the skills brought to bear by the entrepreneur's "right hand man" at top corporate level.

The importance attached to this appointment makes it essential to attract an executive of the highest possible calibre. The ideal profile would be that of a qualified accountant, aged 35-43, with experience both in a large industrial group and with an international bank, but applications are invited from any executives whose backgrounds seem to qualify them for a role concerned with strategy development, financial structuring, investment appraisal, negotiations and trouble-shooting. Total flexibility, energy, entrepreneurial flair and drive are key characteristics. A great deal of overseas travel, notably to the USA and the Far East, will be involved.

In return, our client offers potential job satisfaction of a very high order, a most attractive remuneration package and the possibility of equity participation in the longer term.

Please write in confidence, enclosing career details and quoting reference 4901 to N.P. Halsey, Executive Selection Division, Peat, Marwick, Mitchell & Co., 165 Queen Victoria Street, Blackfriars, London EC4V 3PD.

PEAT MARWICK

Chief Accountant

Surrey **circa £20,000 + car**

Our client, a highly regarded Plc with wide industrial and commercial interests, is seeking to appoint a Chief Accountant for a subsidiary company manufacturing medical equipment. The company has a turnover of approximately £17m. and its products are already market leaders.

It is looking to increase growth and profitability and key tasks will be to strengthen controls, to enhance the management information systems and to work closely with the Managing Director in the future development of the company.

The successful candidate will be a qualified accountant, preferably Chartered, aged 30 to 35, and will already have gained substantial line management experience in a small or medium-sized manufacturing and marketing environment.

This is a "high profile" appointment and will offer group career opportunities to the successful candidate. Relocation expenses will be paid, where appropriate.

Please write in confidence, enclosing career details and quoting reference 5754, to Valerie Fairbank, Executive Selection Division, Peat, Marwick, Mitchell & Co., 165 Queen Victoria Street, Blackfriars, London EC4V 3PD.

PEAT MARWICK

CHIEF ACCOUNTANT

W. LONDON

to £25,000 + car

Credit & Commerce Life is an established unit linked life assurance company with funds under management in excess of £50m and a substantial capital base. The Company is an associate of a major International Banking Group with assets of over $12 billion and which operates in 67 countries.

The Chief Accountant will be a member of the senior management. Reporting to the Financial Director, the successful applicant will be responsible for all aspects of the accounting work of the Company including the preparation and analysis of management information, budgetary control, statutory accounts and returns and the preparation of the Company's tax computation.

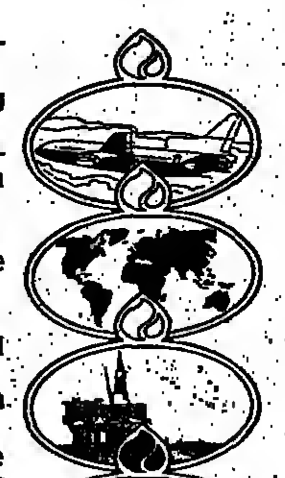
Applications are invited from qualified accountants aged under 40 preferably with insurance experience and who have experience of computerised accounting systems.

The remuneration package will include a salary up to £25,000, a company car, share options, BUPA, Group Life Cover, and relocation expenses where appropriate.

Please write with full cv to:
Geoff Ross, Financial Director
CREDIT & COMMERCE LIFE ASSURANCE LTD.,
74 Shepherds Bush Green
London W12 8SD

International Oil Company

INTERNAL AUDITOR



Standard Oil Company (Indiana) which operates on a world-wide basis as Amoco is one of the six largest U.S. oil companies.

Our European Regional Audit Department is currently looking for an Auditor to join the team which is based in Central London. The position will require the ability to work with minimum supervision, together with good communication skills in order to make a positive contribution to discussions with senior management.

Internal auditing assignments, which include operational auditing, will involve travel in the U.K., Europe, Africa and the Middle East and therefore a working knowledge of French, Spanish or German would be an advantage.

Applicants should be qualified Accountants, ideally Chartered and preferably aged between 25–30 years, who have a minimum of two years' post qualification audit experience. A degree in accounting or business studies would be an added advantage.

An excellent salary commensurate with experience will be offered to the successful applicant, plus the normal fringe benefits associated with an international oil company.

Please write with full details to: Mrs. L. T. Nee, Amoco Europe and West Africa, Inc., Amoco House, 1 Stephen Street, Tottenham Court Road, London W1P 2AU.

AMOCO

Financial Controller

North London **c£18,000+car**

Our client is a specialist in the food service industry with substantial backing from a British plc in association with a US multinational. The group has experienced considerable growth in the UK and there are plans for rapid expansion over the next few years.

Reporting to the Financial Director, the role will take responsibility for the management of the finance department as well as the implementation of tight financial control.

A qualified accountant, aged 27-30, you will have a good academic background together with a first class track record to date in a fast moving market sector. Proven functional achievement is essential as is the ability to relate to all levels of management in a marketing orientated environment. Previous experience of US reporting techniques would be an added advantage.

Prospects for promotion are excellent and will only be limited by personal performance and ambition.

Candidates should write to Nigel Hopkins FCA, Executive Division, enclosing a c.v., quoting ref. 227, at 31 Southampton Row, London WC1B 5HY.

Michael Page Partnership
International Recruitment Consultants
London Bristol Birmingham Manchester Leeds Glasgow
Brussels New York Sydney

Group Chief Accountant

SW London ***excellent salary+car & benefits***

Our client is the UK subsidiary of a leading world wide operating electrical concern. With diverse interests including telecommunications and the manufacture of electrical and electronic equipment, they are a highly successful organisation poised for further growth beyond their targetted business volume of £130 million this year.

They now require a Group Chief Accountant to be responsible for the accounts department, plus the corporate control function within a variety of subsidiary companies. The successful candidate will be responsible for providing an effective accounting service for both the UK and overseas parent, including consolidations, development of computerised accounting systems and ensuring that the department is able to meet increasing demands resulting from the company's expansion and growth. Assisting the operating divisions and their General Managers, there will also be a significant need for financial and commercial input relating to major contracts and tenders.

Candidates, ideally aged 30-40, must be qualified accountants with an impressive career profile to date, which should include managing a well developed financial accounting function within a major organisation. The initial year of this appointment will be spent with the company's head office in West Germany, where the successful candidate will have the opportunity of gaining a fuller understanding of the operation and accounting requirements before returning to the UK to take up the Group Chief Accountant's role. There are also excellent opportunities for career development and progression for a persoo with commitment and ambition.

The remuneration package will include an excellent salary, additional compensation for period in West Germany, company car, non-contributory pension and annual bonus.

Candidates, male or female, should apply in confidence detailing their career history, salary and reason for application quoting reference MCS/6045 to:

Alannah Hunt,
Executive Selection Division,
Price Waterhouse,
Southwark Towers,
32 London Bridge Street,
London SE1 9SY.

Price Waterhouse
Business Needs Experts.

ACCOUNTANTS – INFLUENTIAL APPOINTMENTS

Inland Revenue – Liverpool – and possibly Bristol, Birmingham and London

These posts are in the Enquiry Branch which is part of the Revenue's counter evasion/avoidance division, responsible for investigating serious tax frauds, involving examination of private and business records. The Accountants advise HM Inspectors of Taxes on all accounting matters and are responsible for a personal portfolio of cases. Post-qualification professional office experience and ability to conduct high level interviews and to give evidence in contentious cases essential.

Home Office – London

This post will be responsible for all aspects of financial administration, accountability and control in the Directorate which provides engineering, procurement and technical support services on telecommunications for the police, fire brigades and other users in England and Wales. A wide range of accountancy and financial skills is required with the ability to communicate effectively with all levels of management.

All candidates must be Chartered, Certified, Cost and Management or Public Finance Accountants or be eligible for admission.

SALARY: £12,895 – £17,485. £1300 higher in London. Starting salary according to qualifications and experience. Promotion prospects.

For further details and an application form (to be returned by 17 April 1985) write to Civil Service Commission, Alencoo Link, Basingstoke, Hants, RG21 1JB, or telephone Basingstoke (0256) 468551 (answering service operates outside office hours). Please quote ref: G(2)686/2.

The Civil Service is an equal opportunity employer

LONRHO Plc

Newly-Qualified Accountant

Salary £13,500 + Bonus + Benefits

Applications are invited from newly-qualified accountants, who can demonstrate a high level of technical competence, for the following position at the Headquarters of Lonrho Plc:—

Tax Accountant

Ref. No. V.259

This is an attractive opening offering wide commerical tax experience for someone wanting to join a small tax team dealing with United Kingdom and International tax matters. Duties will include various corporate tax compliance and planning activities of which only a small, although important, proportion is of a pure computational nature.

In addition to the above salary and bonus, the range of benefits includes membership of a private medical insurance scheme and a subsidised lease car scheme.

In the first instance please send career details, quoting the above relevant reference number, to:—

The Group Personnel Manager,
LONRHO Plc,
Cheapside House, 138 Cheapside, London EC2V 6BL

Management Accountant

Leading firm of Solicitors

City **c£20,000+benefits**

Our client is one of the UK's major practices with a long established reputation and international presence.

It seeks a commercially experienced qualified accountant, aged late 20s/early 30s. Reporting to the Financial Controller you must be able to make an immediate contribution to management reporting and the further development of computerised systems.

The personality and ability to communicate effectively with professionals at the highest level and proven planning and accounting skills are therefore essential requirements.

This is an exceptional opportunity to join a progressive and highly successful firm offering outstanding further career opportunities and a very competitive remuneration package.

Contact David Tod BSc FCA on 01-405 3499 quoting ref D/71/LF.

Lloyd Management
125 High Holborn London WC1V 6QA Selection Consultants 01-405 3499

Financial Management In The Leisure Industry

c £15,000 + Car **London & East Midlands**

An expanding subsidiary of a major corporate force in the leisure industry has two immediate vacancies for young, ambitious and commercially-aware Accountants.

Both will report to Board level and will be members of a small, dynamic management team responsible for the direction and control of an interesting mix of leisure businesses throughout the UK. Responsibilities include: the analysis of monthly accounts; profit forecasting; capital budgeting; preparation of feasibility studies; and the implementation of systems technology in a multi-location organisation.

Selected applicants will be qualified accountants with at least two years' post-qualification experience in a fmcg or retail environment and must be able to demonstrate a strong personality and developed interpersonal skills. The ability to work accurately under pressure to tight deadlines is essential.

The remuneration package will include a starting salary negotiable c £15,000 with company car and expenses for relocation where appopriate. The prospects for further development - possibly into general management - should be excellent.

In the first instance, please send a detailed CV, naming any companies to which your application should not be forwarded, quoting Ref: FT/837 to
Mark Cartmel,
Riley Advertising (Southern) Limited,
Old Court House,
Old Court Place,
Kensington,
London W8.

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Confidential Reply Service
A member of the Rex Stewart Group

WARWICK LEISURE LIMITED

Assistant Accountant

SALARY c.£15,000+BENEFITS

We are a privately owned company, part of the Multiple Sound Distributors Group, involved in the production and marketing of a wide range of leisure related products.

Due to continued expansion, we have created an opportunity within the Group for an Assistant Accountant. Under the direction of the Director of Financial Services, you will be responsible for the financial function for one of the companies within the Group.

Your responsibilities will include the maintenance and monitoring of financial records and their associated supporting information, together with the preparation of monthly management and year end financial accounts.

The position offers wide experience in the accounts department of this fast expanding Group and the ideal candidate should be a qualified accountant or on the last stage of a recognised accountancy qualification. A degree and/or professional experience in an industrial or commercial environment or in public practice would also be helpful.

Please write in confidence enclosing full career details to: **Managing Director, Multiple Sound Distributors Ltd., 3 Standard Road, Park Royal, London NW10 6EX.**

Accountancy Appointments

Accountancy Appointments

Director of Finance

Publicly quoted group

Central London — *£35,000+car and benefits*

The Group is well established within a specific segment of the chemical industry. Publicly quoted and with a turnover exceeding £35m, its five main operating units are based in the United Kingdom and two other EEC countries.

Key responsibilities will be for the financing of the Group, monitoring the performance of its operating units and working with other Board members to plan and implement strategies for future development of the Group.

Candidates must be qualified accountants, preferably Chartered and with considerable experience of all aspects of financial management in a process industry.

Some experience of dealing with the City is desirable. Preferred age is around 35 to 40.

Personal qualities must include a high degree of commercial awareness and a determined but diplomatic approach.

Please send full personal and career details to Stephen Ogle, quoting reference 1433/FT on both envelope and letter.

Deloitte Haskins+Sells
Management Consultants
128 Queen Victoria Street, London EC4P 4JX

WALLINGTON (SURREY)

Practice
£100,000+

GRFs wish to obtain qualified equity partner to take charge of block of clients.

No goodwill payment required.

Details to Box A8945
Financial Times
10 Cannon Street
London EC4P 4BY

MANAGEMENT CONSULTANCY.

A chance to break out of the mould.

You are a qualified business professional. You are established in your chosen career. You are intelligent and resourceful. But disillusioned with the knowledge that the nature of the work you will be handling today will be pretty much the same tomorrow, next year and probably for the rest of your commercial life. That worries you.

It concerns you because you are fully aware that you need a wider vehicle for your inquiring mind, a greater stimulus for your *developing* intellect and a more varied work-load to broaden your commercial or industrial experience.

Would *you* welcome the opportunity to break out of *your* mould? Would you risk facing challenge, direct responsibility and complex problem solving? Would you enjoy going in where some angels fear to tread?

If you are still saying yes, you are clearly someone who should investigate the potential of management consultancy.

Our client, who has retained us to advise on these appointments, is one of the fastest growing of the big firms. London based, they have character, dynamism and an open, informal structure where ideas flourish. An excellent *training* programme will help you develop quickly, as indeed will your more experienced colleagues. In your first year you can expect to earn up to £26,000 plus a car; and, of course, you'll never have to do the same thing twice!

If you've got a good first degree and an appropriate professional qualification please write or telephone (in the strictest confidence) to arrange an informal discussion to: John L. Thompson, Thompson Associates Ltd., 232 Portland Road, London SE25 4SL, quoting reference 2044. Telephone: 01-656 8323 (day), or 08832 2484 (after 8.00pm).

FINANCIAL CONTROLLER

(Director Designate)

COMMODITY TRADING

London Based — £18,000 – £20,000 pa

Our Client is an internationally respected commodity trading house, part of a major group with interests already spanning several industries and with plans to expand into new product and marketing areas.

To further *strengthen* an *established management* team based in the City and dealing in commodities throughout the world, a technically strong Financial Controller is required who has extensive multi currency experience. He/she should be capable of providing a positive contribution to the growth of the Company and will head up and control the finance and administration services. This will entail establishing new systems and procedures, producing information for management and assisting the Chief Executive as necessary.

Our Client requires someone probably in their thirties who is a qualified accountant, fully experienced in systems development (including computer applications), who has an aggressive commercial outlook and a *flair for the problems of international trade.*

A competitive salary will be offered together with a full range of benefits which include pension scheme, free medical assurance, company car, etc.

Please send full details to: Andrew Millhouse, Ref 357, *Managing Director, Deansgate Management Services,* 63-66 St. Martin's Lane, London WC2 4JX. Tel: 01-240 9555

DEANSGATE MANAGEMENT SERVICES
ADVERTISING · SEARCH · SELECTION
A DIVISION OF WHITES BULL HOLMES
LONDON AND MANCHESTER

Creative Audit

N.W. Surrey — c. £16,000

Are you CA or ACA, aged say 24-28, with first class systems audit experience in a major practice and the personal qualities appropriate to accelerated career development in industry? Are you willing to travel extensively (a car will be provided).

If so, this management audit vacancy at the centre of a major British group with overseas interests may be of interest. The small team concentrates on control and information improvements (prevention rather than cure) in a sophisticated industrial environment. Prospects are excellent.

For full job description write in confidence to John Courtis at JC&P, Selection Consultants, 104 Marylebone Lane, London W1M 5FU, showing clearly how you meet our client's requirements, quoting ref. 7173/FT. Both men and women may apply.

JC&P
John Courtis and Partners

Hoggett Bowers

Executive Search and Selection Consultants
BIRMINGHAM, CARDIFF, GLASGOW, LEEDS, LONDON, MANCHESTER, NEWCASTLE, SHEFFIELD and WINDSOR

Chief Accountant/ Company Secretary

Staffordshire, c.£14,000 + car

The client is a well known and very progressive, privately owned company which manufactures and sells a leading range of tebleware to home and export markets. This important appointment represents an interesting and challeoging career development opportunity. Reporting to the Managing Director, responsibility will be for the integrity of tha accounting system, atatutory and intarnal reporting requirements, the company secretarial function and tha performance of an eccounts team. Candidates, aged 28/35, must be qualified accountants and have a progressive track record gained in a manufacturing environment. In depth knowledge of standard costing, budgetary control and computer systems is desirable. Relocation packaga available.

J.H. Wright, Ref: 36421/FT. Male or famale candidates should telephone in confidence for a Personal History Form 021-622 2961, *Albany House, Hurst Street,* **BIRMINGHAM**, *B5 4BD.*

Chartered Accountant Mid/Late 20's

UK based European role with major US Hi-tech manufacturer

to £24,000 + car + bonus + stock option

This stimulating and demanding role is a superb opportunity for a young chartered accountant to develop a career in a really international environment. The company is a leader in its field of micro-electronics, committed to innovation and product development with a justified reputation for good management.

As European Audit Manager you will lead a team carrying out financial and operational audits in 14 countries. The role is a mixture of internal consulting and auditing. This will involve extensive travel both in Europe and to the US from a Swindon base. Success in this role will lead to opportunities in *financial management either in the UK or overseas.*

You must have a degree and at least 3 years' post-qualification experience either in the profession or in industry/commerce, plus good interpersonal skills and a high level of energy.

Excellent benefits include BUPA and assistance with relocation expenses, where appropriate.

Please write with full details. These will be forwarded direct to our client. List separately organisations to whom they should not be sent. B. G. Woodrow ref. B.1955.

This appointment is open to men and women.

HAY-MSL Selection and Advertising Limited, 52 Grosvenor Gardens, London SW1W 0AW.

Offices in Europe, the Americas, Africa, Australasia and Asia Pacific.

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CONFIDENTIAL ADVERTISING

Operational Analysis

W. End £15,000-£20,000

Our client, a progressive US multinational, is currently enjoying a period of unprecedented growth and development. The company now requires two young qualified accountants to form a new trouble-shooting team.

The purpose of these high profile roles is to review the performance of operating units in Europe, U.S.A., Australia and the Far East, examining all aspects of operations (financial and non-financial) with emphasis on risk analysis, management information review and advising on specific accounting problems. This key function offers considerable exposure to top-level management and a real opportunity to contribute significantly to company performance.

Prospects are excellent in a rapidly developing, highly professional environment where new opportunities are constantly opening. Candidates must be ready to travel, and fluency in a European language would be an advantage.

Initial enquiries to Greg Ripley.

ROBERT HALF
FINANCIAL RECRUITMENT SPECIALISTS
ROMAN HOUSE, WOOD STREET, LONDON, EC2Y 5BA 01-638 5191

Systems Development

London — from £20,000 + substantial benefits

Our client is one of the UK's largest and most prestigious financial groups. It operates and is further developing an extensive range of complex computer systems to cater for the scale and diversity of its business.

Due to continuing demands on the small team responsible for the development of these accounting systems, it seeks a qualified accountant (late 20s/early 30s) who can make an immediate contribution.

Your first assignment will be to lead a multi discipline project team in implementing a new general ledger for the group. Therefore relevant implementation experience in a large organisation is essential.

This major exercise will involve exposure to the many facets of the group's business and will therefore provide an excellent base for career progression, which need not be restricted to systems development.

Salary is negotiable and the benefits include a non contributory pension and subsidised mortgage.

Contact David Tod BSc, FCA on 01-405 3499 quoting ref: D/68/SF

Lloyd Management
125 High Holborn London WC1V 6QA Selection Consultants 01-405 3499

Financial Controller

London — *c£18,000+car+bonus*

Our client is the London office of the world's leading producer of business meetings and industrial presentations. They now seek a practical, business-minded Accountant for their fast-growing European operation, which currently employs some 80 staff.

Reporting to the Managing Director, you will take full responsibility for the finance and management reporting function, supervising a small department. The emphasis will be on improving the accounting controls and developing financial systems utilising a recently installed IBM System 36.

Applicants should be qualified, preferably ACA/ACCA, aged 27-45 and have experience of running an accounts department and establishing effective levels of cootrol. Qualities of initiative, good communicative skills and a practical approach to tasks are most important.

Long-term prospects with this profitable and expanding company are attractive and the successful candidate can expect a directorship within two years.

Please apply in confidence with a full C.V and quoting reference MCS/2004 to Milton Ives, Executive Selection Division, Price Waterhouse, Southwark Towers, 32 London Bridge Street, Loodon SE1 9SY.

Price Waterhouse
Business Needs Experts.

City Recruitment Consultants

MANAGEMENT AND FINANCIAL ACCOUNTING

City Merchant Bank

Our client, a prominent and expanding Merchant Bank currently seeks to appoint experienced bank/accounting staff for the following positions in their central financial control area.

Financial Accountant

Responsible for the supervision and production of a broad range of balance sheet based management information of the parent bank and its subsidiaries including the preparation of the statutory accounts and external and internal reports and statistical information and additionally involvement with the implementation of new systems. Whilst an accountancy qualification is desirable, practical experience is of greater importance.

Management Reporting Senior

To assist in the production of internal management information and the preparation of Bank of England returns. Candidates should be experienced in the preparation of statistical information including a general knowledge of Bank of England returns production from computerised systems.

Salaries are negotiable reflecting age and experience and are accompanied by a comprehensive benefits package, including mortgage subsidy and profit share bonus.

For further details please contact Lewis Marshall on 623 4888 in strict confidence

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Accountancy Appointments

Financial Controller

from £20,000 + car

Our client, a highly successful Division of a major British Group, is already a household name in its own right and has ambitious plans for the future.

This is a post on the first-tier executive of a close-knit headquarters team which is responsible for providing stragetic direction to existing businesses, and also for seeking out opportunities for profitable expansion in both the UK and Europe.

The requirement is for someone to provide a professional and highly commercial input to develop performance and review procedures (not exclusively financial); to develop consolidated forecasting and control data; and, to provide financial assessment of proposed new business activities.

To apply you must be a qualified accountant, almost certainly chartered, in the 25-35 age bracket, with a proven ability to relate your specialist professional skills to the achievement of broader business objectives. Success in this post would certainly lead to career openings in financial, or perhaps general, management within the Division itself or elsewhere in the parent Group. The location is St Albans.

Please send full cv which will be forwarded to our client unopened, quoting ref: W4154/FT. (Please address to our Security Manager if listing companies to which it should not be sent.)

PA

PA Advertising

Hyde Park House, 60a Knightsbridge, London SW1X 7LE.
Tel: 01-235 6060 Telex: 27874

Finance & Administration Manager

(Director Designate)

up to £18,000 + car

For a profitable U.K. Sales and Marketing subsidiary of a highly reputable German manufacturer of top quality, premium priced, consumer durables. There are three major tasks; manage all financial affairs and produce computerized financial and management accounts; contribute to policy particularly in pricing and discounts – and control; and provide secretarial and personnel services.

We seek a qualified accountant, aged at least 30 with line experience in a branded consumer goods company. Experience of IBM System 34, a broad view of the business and the ability to provide competent administration are very important.

Benefits include a car, profits related bonus, pensions and private health insurance. The base is West London.

To apply please write in confidence, giving details of age experience, qualifications and present earnings quoting Ref 901. No information will be divulged to our client without your permission.

CB-Linnell Limited
7 College Street, Nottingham.
MANAGEMENT SELECTION CONSULTANTS
NOTTINGHAM · LONDON

Financial Accountant

Prospective Controller

to £20,000 + car

An £80 million subsidiary of a major high technology group is seeking a highly ambitious Accountant to take control of all facets of financial accounting from control of accounting standards, principles and procedures through to asset management and effective financial reporting. There is a department to manage and new computer systems to introduce. The role should have a substantial impact on the operation and profitability of the business and will involve high level exposure to management.

Within 2 years the successful applicant should be sufficiently qualified to promote to a Financial Controller position. Experience of management accounting/financial analytical work will be provided if necessary.

Applicants should be Chartered Accountants trained in a major accountancy firm. Experience is needed of rigorous multinational reporting requirements, either gained first hand or by close involvement from the profession. The ability to manage people effectively under pressure is essential.

Age guide 28-32. Location Essex.

Please apply in confidence, quoting ref. 1170, to:

Brian H Mason
Mason & Nurse Associates
1 Lancaster Place, Strand
London WC2E 7EB
Tel: 01-240 7805

Mason & Nurse
Selection & Search

Accountant

West London c.£16,000

Our client, a major plc, wishes to recruit a qualified and experienced accountant for one of its operating units.

The successful candidate, ideally aged up to 35, will have a number of years experience in a manufacturing environment and will be expected, in addition to managing a staff of around 6, to contribute to improving profitability and provide financial advice on policy and performance.

The successful candidate will be qualified ICMA or ACA and in addition to manufacturing experience should have been involved in the installation of computer systems, and be used to working to corporately set deadlines.

In addition to the salary mentioned above, there are the usual benefits associated with a large company.

Confidential Reply Service: Please write with full CV quoting reference 1934/JS on your envelope, listing separately any company to whom you do not wish your details to be sent. CV's will be forwarded directly to our client, who will conduct the interviews. Charles Barker Recruitment Limited, 30 Farringdon Street, London EC4A 4EA.

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Graduate ACA

City of London c£16,000
+ Usual Banking Benefits

Due to major recent developments, an exceptional opportunity has arisen within this prestigious British Merchant Bank.

Challenging areas of responsibility will include development of management information systems, financial reporting, preparation of budgets, forecasting and ad hoc analyses, ensuring that changing information requirements are met.

The successful candidate will probably be a graduate ACA from a Top 8 firm. Bank audit experience, together with an understanding of modern treasury accounting, products and services is essential. Personal presentation must be immaculate and good interpersonal skills are important. Dynamism and self-motivation will ensure success within this exciting and rapidly changing environment.

To apply please telephone or write in confidence to Susan Tucker quoting Ref: ST9177

Lloyd Chapman Associates

International Search and Selection
160 New Bond Street, London W1Y 0HR ·
Telephone: 01-408 1670

Your last step, before a Financial Directorship...?

Head of Financial Services

(Up to c.£20,900)

If you see yourself as a future Director of Finance in local government, this Chief Officer post will surely take you considerably nearer your ambition.

As Head of Financial Services, you will have full responsibility for the day-to-day accountancy, budgetary, research and other financial matters. More importantly, you will have the scope to develop and improve where needed the financial service available to the Council and its departments, utilising the latest technology and professional financial accounting techniques and systems. Additionally you will act for the Director of Finance during his absence.

To be considered you will need to be well qualified and to demonstrate proven success in senior management roles. As well as possessing the necessary professional skills to achieve the most efficient level of service, you must have the ability, commitment and drive to lead and motivate your staff effectively.

If you measure up to this demanding yet challenging and rewarding profile telephone 01-891 1411 ext. 229 for a recruitment pack, or write to Head of Personnel Services, Municipal Offices, Twickenham TW1 3AA. If you would like more information please telephone Richard Harbord, Director of Finance (ext. 259 on the same number).

Closing date 15th April 1985.

London Borough of RICHMOND UPON THAMES

(an equal opportunity employer)

Treasury Analyst

The BOC Group plc, the parent Company of one of Britain's largest International groups, is seeking a Treasury Analyst.

Reporting to the Deputy Treasurer, the jobholder will participate in a broad range of Treasury functions, including:

* Development of computer based Treasury systems.
* Arranging the financing of overseas subsidiaries.
* Evaluating alternative Group funding options.

The ideal candidate will be a graduate, aged 25-30 with an accounting qualification or an MBA. Some experience in the Treasury area would be useful together with a knowledge of computing and financial analysis techniques.

Based initially in Hammersmith, but relocating to Windlesham, Surrey, in the summer of 1985, this position offers a good opportunity to develop a career in Treasury Managemant or in a broader financial role with a UK multinational.

We offer an attractive salary plus free medical insurance and other fringe benefits. Please apply with full details to: Tina McKay, Personnal Manager, The BOC Group plc, Hammersmith House, London W6 9DX.

THE BOC GROUP

Plant Financial Controller

S. HOME COUNTIES To £20,000 + car

You would join a small, high calibre management team collectively responsible for meeting overall plant profit objectives. The plant is an autonomous self accounting unit which forms part of the European manufacturing division of a leading US multi-national which has an outstanding record of sustained growth.

The selection process will concentrate upon identifying individuals who in addition to their technical functional abilities possess certain personal qualities. Most importantly these must include a positive constructive forward looking approach and a determination to involve the Finance function in all aspects of decision making.

The post should be attractive to a qualified accountant, probably ACMA, in his late 20's or early 30's. Ideally though not necessarily, experience should have included a background in a high volume manufacturing environment utilising a fully absorbed standard costing system. Experience encompassing both financial and management accounting would be advantageous.

Our client offers a very competitive fringe benefit package including relocation assistance if required to a location on Surrey/Sussex borders.

Applicants of either sex apply in confidence to *Michael Johnson* on (0962) 53319 (24 hour service) or write to Johnson Wilson & Partners, Clarendon House, Hyde Street, Winchester, Hampshire SO23 7DX, quoting ref. 581.

Johnson Wilson & Partners
Management Recruitment Consultants

Outstanding Opportunities in Internal Audit

Sea Containers Limited is the largest marine container lessor in the world. In 1984 it acquired, from British Rail, Sealink UK Limited. Its affiliated company SeaCo Inc. has leisure interests including luxury hotels, the Venice Simplon-Orient-Express train and a retailing operation encompassing the United Kingdom, Europe and North America.

The acquisition of Sealink and the growth of the leisure interests in SeaCo has created the need to establish a Group Internal Audit Department. The Department will operate to high professional standards and will carry out operational as well as financial audits throughout the Group. It will also undertake special projects for management from time to time. Based in London, travel within the UK and, to a lesser extent, overseas, will be a feature of the Department's work.

The Group Internal Audit Manager has been appointed recently and is now seeking staff for his department to fulfil both supervisory and operating roles.

A blend of experience and expertise is being sought. Common features that all candidates will be expected to demonstrate are commercial awareness, initiative and a sharp, analytical mind. They are likely to be qualified accountants, have above average communicative abilities and have had previous exposure to large or multinational organisations. Within these broad parameters, candidates may be seeking to move out of the accountancy profession, at any level from newly qualified to junior manager, or may already be in industry or commerce, either in another internal audit position or in a financial role.

The posts present the opportunity to contribute to the establishment of a new department and to assist management in improving the financial and operating systems of the Group. They offer long term career prospects either within the Department or, in due course, in a line management position.

Salaries of circa £18,000 per annum, plus company car will be paid for supervisory positions and circa £15,000 per annum for operating roles dependent on experience and qualifications. Other benefits are commensurate with a progressive, international company.

If you wish to be considered for one of the above posts, please send a comprehensive curriculum vitae, giving details of your current salary and a synopsis indicating how you would contribute to the establishment of the Department to:

Mrs E F Donnelly
Sea Containers Services Limited
Sea Containers House
20 Upper Ground, London SE1

sea containers

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The company is young, rapidly expanding and successful. The Accountant will be responsible for the accounting and administration of our UK operations. The position is challenging: the individual needs to be diligent and accurate whilst being creative and energetic. The remuneration will be commensurate with the demands and importance of this position.

If you are a qualified accountant, probably in your mid-20s and believe you possess the necessary drive and commitment to secure your own success, please send your detailed curriculum vitae to:

MR G. B. MATHER
ALLISON INSURANCE GROUP LIMITED
101 NEW LONDON ROAD
CHELMSFORD, ESSEX CM2 0PP

DIVISIONAL FINANCIAL CONTROLLER

Cheltenham

Dowty is a major engineering Group with a turnover in excess of £400m and with interests in aerospace, defence, electronics, mining and other industries.

The Group requires a Divisional Controller for the central financial department located at Group Headquarters in Cheltenham. This is a senior position answering to the Group Chief Accountant who in turn reports to the Group Financial Director. The job involves frequent contact with members of the Main Board, and with Directors and Senior Managers elsewhere within the Group.

Responsibilities would include the business and technical appraisal of subsidiary company financial information prior to its computerised consolidation for management and statutory purposes. Work would also be undertaken on a range of commercial and financial matters including acquisitions, currencies, pricing and liaison with auditors and tax advisers.

Applicants, male or female, should be qualified Chartered Accountants either currently working within the profession as a manager, or at an equivalent level within industry. Preferred age range 26-33.

Salary is negotiable and would interest individuals currently earning around £14,000 p.a. In addition to an attractive salary, the position carries a benefits package with relocation assistance where appropriate.

If you are interested, please telephone for an application form or send a CV to Geoff Richardson, Personnel Manager, Dowty Group Services Limited, Arle Court, Cheltenham, Glos. GL51 0TP. Tel: Cheltenham (0242) 533505.

DOWTY

Accountancy Appointments

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Controller

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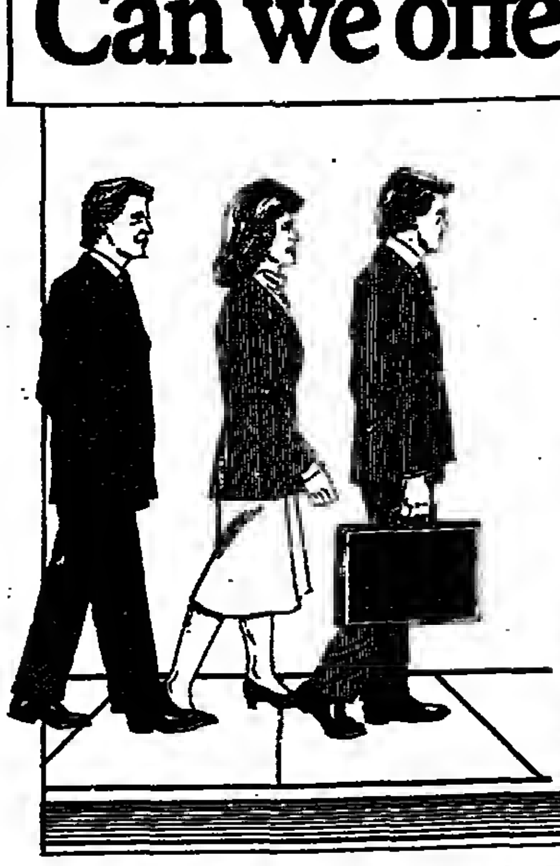
I.L. Duff, Ref: 18082/FT. Male or female candidates should telephone in confidence for a Personal History Form 01-734 6852, Sutherland House, 5/6 Argyll Street, LONDON, W1V 1AD.

Can we offer tax people a head start?



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CHIEF ACCOUNTANT/COMPANY SECRETARY

ST. ALBANS, HERTS

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The successful applicant is likely to be aged between 28 and 40 and to have controlled a large computerised Accounts Department, probably in the retail motor trade.

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ELSTREE, HERTS

c. £14,000 + CAR

Applicants for the position of Internal Auditor should be newly-qualified Accountants with at least one year's audit experience.

The Group operates a non-contributory pension scheme which includes immediate life assurance cover.

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The Finance Director, Godfrey Davis (Holdings) plc
Stirling Corner, Elstree, Herts. WD6 2RL

Group Financial Controller

Southern England **c.£35,000+car**

Our client is a UK public company who continues to grow through international development and acquisition.

Operating in the manufacturing and high technology service industry, their current turnover is c. £60 million.

Reporting to the Group Financial Director, the successful applicant is likely to be aged between 35-42 and a qualified accountant.

The successful candidate will combine high numeracy skills with an outgoing personality, able to command the respect of a world wide accounting function.

Candidates should write to Nigel Hopkins FCA, Executive Division, enclosing a comprehensive curriculum vitae, quoting reference 228, at 31 Southampton Row, London WC1B 5HY.

MP

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Controlling an 11-strong group you will manage the purchase ledger and management expenses sections, with responsibility for budgeting, cost control, planning and forecasts. Sound, relevant experience required.

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In return we offer excellent career prospects and a generous package which includes mortgage subsidy, non-contributory pension, profit share scheme, Christmas bonus and relocation assistance where appropriate.

To apply please telephone or write for an application form to Bill Brewer, Assistant Manager–Personnel, Personnel Department, TSB Trust Company Limited, Keens House, Andover, Hampshire SP10 1PG. Telephone Andover (0264) 58740.

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c.£15K • Central London

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The Financial Analyst will have a wide-ranging brief to analyse current activities and reconcile these with marketing and financial trends. Essentially we are looking for a shrewd analyst who can prepare, co-ordinate and review long range plans for many different operating divisions. Someone who can directly influence marketing plans, prepare financial forecasts and produce annual profit plans, *based on operational strategies. In addition,* this key professional will undertake major projects, with little or no supervision, and then report directly to top management with detailed findings and recommendations.

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NCR

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GROUP FINANCIAL CONTROLLER

Aged 38-45 **to £30,000 + benefits**

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A Group Financial Controller is required at the Head Office in London. He or she will be responsible to the Group Managing Director for the full range of financial activities of the Group including funding and cash management, taxation, preparation of annual accounts, budgets, monitoring and preparation of monthly accounts, etc.

The Appointee must be well educated, suitably professionally qualified and able to demonstrate relevant experience, leadership qualities, drive and rounded business and commercial capability. The age band is likely to be 38-45.

The remuneration package is negotiable up to £30,000 plus benefits for an outstanding candidate.

Please write in confidence with c.v. to:

Dr. J. A. Roberts
RUBEROID plc
1 New Oxford Street, London WC1A 1PE

Financial Director

London **To £30,000 + Car**

Our client is part of a major electronics group – with an enviable record of growth and profitability – and generates in its own right a turnover in excess of £150 million. Founded upon a secure fiscal base, the company is markedly entrepreneurial in outlook and we have been asked to recruit a senior financial executive able to play a substantial part in shaping its commercial future.

An important element in the role will be the direction of the financial and management accounting functions – stressing the latter – but particular emphasis will be placed on strategic planning relating to existing and potential business (including new acquisitions). Close co-operation with other disciplines will be a salient feature, and the ability to understand non-financial perspectives is therefore essential.

Candidates should be qualifed accountants with broadly-based experience at senior level within a large, marketing-oriented organisation. Commercial acumen, a flair for managing change, and personal 'presence' are essential attributes; a degree (ideally in business) would constitute an advantage. The preferred age-range is 35 to 45.

Applications, please, quoting: Ref. 154/1/FT, to S. C. Mackay, Charles Barker Management Selection International Ltd., 30 Farringdon Street, London EC4A 4EA. Tel: 01-634 1142.

CHARLES BARKER

SELECTION·SEARCH·ADVERTISING

Financial Controller

Applications are invited from qualified Accountants with extensive commercial experience for the position of Financial Controller to our client company — a leading fashion company based in the UK and overseas.

It is likely that the successful candidate will be earning £17,500+ in his/her present position and can expect to command an attractive salary package well in excess of current earnings.

Replies in strictest confidence should be forwarded together with curriculum vitae to:

L. S. Lazarus FCA, Arram, Berlyn Gardner & Co.
Mortimer House, 37/41 Mortimer Street, London W1N 7RL

GROUP FINANCIAL CONTROLLER

FINANCIAL CONTROLLER

A leading Group of companies engaged in the importation, manufacture and distribution of processed foods with an enviable growth record has recently restructured both its London-based trading and West Country manufacturing operations and is currently preparing *a major new information strategy to carry the Group into the 90's.* It now seeks to strengthen its finance function by making the following appointments, reporting to the Group Finance Director—

Group Financial Controller—London

To be responsible for all trading company and Group accounts, cash flow monitoring, development of management information etc

Financial Controller—West Country

To be responsible for all accounts functions for two manufacturing companies, and to participate in management of other common services functions

The above positions are unlikely to be of interest to people currently earning less than £18,000 and £16,000 p.a. respectively. Both positions offer company car, contributory pension scheme and free BUPA.

Applicants should be able to demonstrate relevant experience, the ability to contribute to improved profitability and strong commitment to progress in a fast moving environment.

Full career details to Box A8947
Financial Times, 10 Cannon Street, London EC4P 4BY

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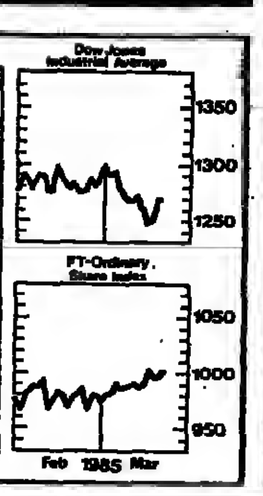
FINANCIAL TIMES
Thursday March 21 1985

Futures traders welcome tax changes, Page 48

KEY MARKET MONITORS



STOCK MARKET INDICES

NEW YORK	Mar 20	Previous	Year ago
DJ Industrials	1,265.24	1,271.09	1,175.77
DJ Transport	599.09	603.30	516.26
DJ Utilities	149.21	148.70	127.99
S&P Composite	179.08	179.54	158.86
LONDON			
FT Ord	1,001.9	997.5	901.4
FT-SE 100	1,307.2	1,304.5	1,123.3
FT-A All-share	629.72	628.88	531.00
FT-A 500	688.94	687.68	577.75
FT Gold mines	517.7	507.0	690.8
FT-A Long gilt	10.67	10.73	10.10
TOKYO			
Nikkei-Dow	12,541.37	12,477.99	10,479.8
Tokyo SE	1,005.6	1,003.0	823.08
AUSTRALIA			
All Ord.	802.8	793.9	732.0
Metals & Mins.	490.8	476.7	506.2
AUSTRIA			
Credit Aktien	70.63	70.80	55.15
BELGIUM			
Belgian SE	2,305.11	2,302.82	–
CANADA			
Toronto			
Metals & Minls	2,055.7*	2,083.6	2,315.0
Composite	2,603.2*	2,621.8	2,407.6
Montreal			
Portfolio	129.70*	131.01	118.26
DENMARK			
Copenhagen SE	178.04	177.62	191.04
FRANCE			
CAC Gen	205.5	205.8	160.9
Ind. Tendance	111.9	111.8	85.7
WEST GERMANY			
FAZ-Aktien	419.94	419.59	351.64
Commerzbank	1,217.5	1,217.1	1,032.3
HONG KONG			
Hang Seng	1,312.56	1,300.97	1,169.12
ITALY			
Banca Comm.	276.44	273.50	222.37
NETHERLANDS			
ANP-CBS Gen	205.5	205.4	160.5
ANP-CBS Ind	164.7	164.6	132.0
NORWAY			
Oslo SE	315.93	314.82	254.33
SINGAPORE			
Straits Times	833.32	835.32	1,007.75
SOUTH AFRICA			
Golds	n/a	965.7	1,052.2
Industrials	n/a	862.5	1,074.5
SPAIN			
Madrid SE	111.96	111.91	82.9
SWEDEN			
J & P	1,432.87	1,430.43	1,515.73
SWITZERLAND			
Swiss Bank Ind	427.8	430.9	366.6
WORLD	Mar 19	Prev	Year ago
Capital Int'l	199.5	196.0	185.7

GOLD (per ounce)

	Mar 20	Prev
London	$322.50	$318.00
Zürich	$323.00	$318.50
Paris (fixing)	$323.79	$309.20
Luxembourg	$333.00	$302.75
New York (Apr)	$324.30	$328.80

* Latest available figure

COMMODITIES

(London)	Mar 20	Prev
Silver (spot fixing)	565.10p	530.25p
Copper (cash)	£1,218.50	£1,229.00
Coffee (May)	£2,309.50	£2,292.50
Oil (spot Arabian light)	$27.75	$27.75

CURRENCIES

(London)	U.S. DOLLAR Mar 20	U.S. DOLLAR Previous	STERLING Mar 20	STERLING Previous
$	–	–	1.1515	1.1365
DM	3.2555	3.274	3.7475	3.73
Yen	256.1	255.95	294.5	291.5
FFr	9.96	10.015	11.5	11.38
SwFr	2.755	2.785	3.1675	3.1575
Guilder	3.6825	3.6975	4.23	4.21
Lira	2,072.5	2,078.5	2,382.0	2,365.0
BFr	65.8	65.8	75.45	74.95
C$	1.3725	1.377	1.579	1.55975

INTEREST RATES

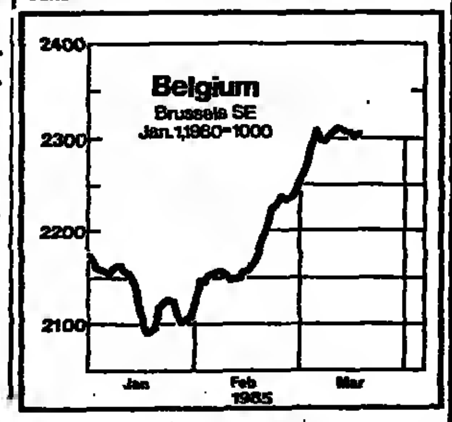
Euro-currencies (3-month offered rate)	Mar 20	Prev
£	13½	13⅛
SwFr	5¹³⁄₁₆	5¹³⁄₁₆
DM	6⅛	6⅜
FFr	11⁵⁄₁₆	11⅛
FT London Interbank fixing (offered rate)		
3-month U.S.$	9⁵⁄₁₆	9⅜
6-month U.S.$	8¹⁵⁄₁₆	10
U.S. Fed Funds	8⅞*	8¹³⁄₁₆
U.S. 3-month CDs	8.80*	8.95
U.S. 3-month T-bills	8.50*	8.55

U.S BONDS

Treasury		Mar 20* Price	Mar 20* Yield	Prev Price	Prev Yield
10	1987	98²¹⁄₃₂	10.777	98²⁰⁄₃₂	10.759
11⅝	1992	98²⁶⁄₃₂	11.871	98¹⁵⁄₃₂	11.919
11¼	1995	96⁶⁄₃₂	11.911	96⁵⁄₃₂	11.928
11¼	2015	95⁵⁄₃₂	11.843	94²⁹⁄₃₂	11.867
Corporate		**Mar 20***		**Prev**	
AT & T		Price	Yield	Price	Yield
10⅜ June 1990		94½	11.80	94½	11.80
3⅝ July 1990		73½	10.55	73½	10.55
8¾ May 2000		74½	12.55	74½	12.55
Xerox					
10⅞ March 1993		91⅝	12.30	91⅝	12.30
Diamond Shamrock					
10⅝ May 1993		91⅛	12.40	91⅛	12.40
Federated Dept Stores					
10⅜ May 2013		84.803	12.60	84.803	12.60
Abbot Lab					
11.80 Feb 2013		93.465	12.65	93.465	12.65
Alcoa					
12¼ Dec 2012		94.01	13.05	94.01	13.05

FINANCIAL FUTURES

CHICAGO	Latest	High	Low	Prev
U.S. Treasury Bonds (CBT) 8% 32nds of 100%				
March	68–13	68–16	68–04	67–29
U.S. Treasury Bills (IMM) $1m points of 100%				
June	90.88	90.90	90.79	90.75
Certificates of Deposit (IMM) $1m points of 100%				
March	90.13	90.00	89.86	89.74
LONDON				
Three-month Eurodollar $1m points of 100%				
June	89.58	89.58	89.41	89.30
20-year Notional Gilt £50,000 32nds of 100%				
June	105-07	105-20	105-03	105-04



WALL STREET

Steady drift prompted by profit-taking

PROFIT–TAKING left Wall Street stocks easing back yesterday after the late surge of the previous session, while bond prices were higher in continued reaction to the Treasury's announcement of a smaller-than-expected mini-refunding programme next week, *writes Michael Morgan in New York.*

Stocks opened marginally weaker and continued to fall back as the morning progressed, but trading volume remained on the high side.

At the close the Dow Jones industrial average was down 5.65 at 1,265.24.

In the credit markets, the reappearance of some retail buying early in the day helped the upward move in bond prices. The rise was also attributed to the smaller-than-expected $16.25bn Treasury refunding package for next week and a federal funds rate that opened at 8½ per cent and later eased to 8¾ per cent.

The price of the long bond, the 11¼ per cent of 2015, added 12 basis points to 95⁵⁄₃₂ while rises of up to ²²⁄₃₂ were seen in prices of other bonds. Treasury note prices were mostly a few basis points higher.

In the money markets, yields on Treasury bills eased. The three-month bill, yielding 8.50 per cent, was 4 basis points lower while the six-month bill, yielding 8.95 per cent, was also 4 basis points lower. Yields on certificates of deposit were up to 27 basis points lower.

Results of the Treasury's auction of $9bn in two-year notes were scheduled to be announced late in the day.

In the stock markets, General Motors fell $2⅛ to $74⅜ in heavy trading as analysts at three brokerage houses reportedly cut their 1985 earnings estimates or downgraded their opinions on the car maker. The other motor manufacturers were also heavily traded, with Ford $1⅛ down at $42½ and Chrysler $1⅛ lower at $53½.

IBM dipped $1⅛ to $129⅜ in continued reaction to the announcement, late the previous day, that it was to halt production of the PC Jr personal computer next month.

Wang Laboratories fell $1 to $16⅝ as it asked about 6,000 U.S. employees to take holidays in the first two weeks of July so that plants could be temporarily closed and inventories reduced.

Apple Computer was $¼ lower after Lotus Development announced it would be two months late delivering new software for Apple's Mackintosh personal computer. Lotus traded down $1 at $26.

BankAmerica, the largest U.S. bank, eased $¼ to $19 after Standard & Poor's lowered its credit ratings.

Pepsico traded $1½ higher to $52 as the company dismissed market rumours that it might be acquired by Philip Morris for $70 a share. Philip Morris eased $1⅛ to $91.

Broadcasters had a mixed day after the price surges of the previous two sessions. Capital Cities Communications shed $3½ to $199⅜ while ABC was $1 easier at $106⅛.

Union Carbide eased $¼ to $37 as it made public the results of its investigations into the cause of the Bhopal tragedy in India last December.

Triangle Industries added $1½ to $19 as a wholly-owned subsidiary began a tender offer for all outstanding shares of National Can at $41 a share. National Can traded $⅝ higher at $41½.

Eaton Corporation, the motor parts and electronic equipment manufacturer, was delayed in opening due to an order imbalance. It later returned to trade down $4 at $52½ after an analyst took the stock off his "buy" list and lowered his 1985 earnings estimate.

Among corporate reporters, Toys R Us gained $1½ to $29⅝, but Pillsbury gave up $⅝ to $47¼ in the wake of their third-quarter figures. Jim Walter Corporation, the building and construction products group, was $⅞ firmer at $32½ on higher second-quarter results while Hughes Supply, the electrical and plumbing group, was $¼ lower at $16½ as it announced higher full-year figures.

Actively traded issues on the New York Stock Exchange included J. P. Morgan, $¼ higher at $46¼, Sterling Drug, $¼ lower at $30⅝, and Tandy $⅝ lower at $32⅜. Amerada-Hess put on $1⅜ to $30½.

On the American Stock Exchange, active issues included BAT Industries, down $³⁄₁₆ at $4¹⁄₁₆, Dome Petroleum, $⅛ lower at $2¹⁄₁₆, Echo Bay Mines, $⅝ easier at $10⅝, and Astrotech, $⅛ easier at $1¼.

EUROPE

Frankfurt financials find favour

HESITANCY over the short-term direction of both exchange rates and New York equities forced a subdued tone on many European bourses yesterday, although bank and airline issues encountered steady support.

The mixed finish in Frankfurt did not reflect the sharp switch from export-orientated stocks into financials as domestic and foreign investors re-evaluated the impact of the dollar on many recently favoured shares and waded in to take their profits. The Commerzbank index, calculated at midsession, was barely changed at 1,217.5, up 0.4, but not far below Monday's record level.

The banking sector, which expected to report healthy profits near the end of this month, bristled with gains. Deutsche Bank snatched the laurels of the highest rise with a DM 6.50 surge to DM 442.50, a new peak for the year and a DM 14.50 rally so far this week.

Dresdner Bank's DM 4.80 increase returned it to a 12-month high of DM 193.30 while Commerzbank moved DM 2.50 higher to DM 171.30.

Car makers were caught in the crossfire. Porsche slumped below DM 1,300 for the first time this month as it surrendered a further DM 27 to DM 1,293. The quality sports car group peaked at DM 1,388 on March 11.

Daimler managed to hold steady at DM 697 while BMW lost DM 3.50 to DM 391.50. VW, which has oscillated all week, picked up 50 pfg to DM 205.

In chemicals, Bayer fell DM 4 to DM 220, BASF shed DM 1.30 to DM 210.20 and Hoechst dipped DM 2.30 to DM 214.50.

Metallgesellschaft reversed most of this week's easier tone with a DM 12 rally to DM 274 while Degussa was brought DM 3.10 higher to DM 360 after Papua and New Guinea authorised re-opening of the Ok Tedi mine.

The dollar's renewed rise dampened a rally in the bond market although many public authority issues managed net gains on the day.

The Bundesbank sold DM 103m of paper compared with Tuesday's DM 171.3m sale.

Amsterdam gained momentum as the dollar firmed, but turnover remained small as investors headed for the sidelines pending a clearer trend. The ANP-CBS General index edged 0.1 ahead to 205.5.

Internationals and banks proved best performers of the day. Unilever added Fl 3 to Fl 349, Royal Dutch firmed 80 cents to Fl 199.30 and Philips, buoyed by a large order from China, picked up 40 cents to Fl 61.30.

KLM, the national airline, moved ahead for the first time this week with a 90-cent gain to Fl 61.20 while Océ van der Grinten recovered most of the previous session's weakness with a Fl 2 increase to Fl 311.

Among financials, ABN stormed back across the Fl 400 threshold with a Fl 7.50 dash to Fl 404.50. Aegon added Fl 3.50 to Fl 186, still firmly in the upper levels of its recent trading range.

Bonds moved 30 basis points higher with the early weakness of the dollar cited as a factor in the increased demand.

End-of-month liquidation dulled Paris trading although Thomson-CSF provided a feature with its FFr 28 advance to a new peak of FFr 530. Carrefour recovered most of Tuesday's sharp fall with a FFr 39 rise to FFr 1,965. Essilor was briskly returned to FFr 3,000 with one of the sharpest falls of the session, a drop of FFr 48.

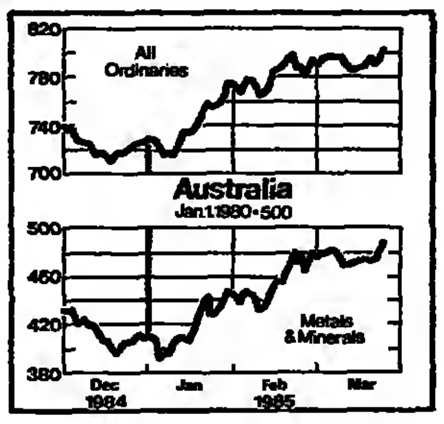
Milan rebounded from the widespread profit-taking of the previous day, with La Centrale firming L150 to L3,742 and Generali L1,800 stronger at L42,180. Fixed income bonds were steady while convertibles tended easier.

Brussels found strength from a parliamentary endorsement of government policy on cruise missiles. Groupe Bruxelles Lambert firmed BFr 25 to BFr 2,110 ahead of higher 1984 profits

Among recently active utilities, Electrobel gained BFr 80 to BFr 6,650, and Tractionel added BFr 100 to BFr 4,300.

Financials featured strongly in Zurich as industrials were hit by profit-taking. Swiss Bank added SwFr 5 to SwFr 374 while Zurich Insurance firmed SwFr 100 to SwFr 20,850.

Madrid was quietly mixed while Stockholm proved indecisive, with SCA topping the most active list. The forestry group dropped SKr 1 to SKr 121.



AUSTRALIA

Firmer gold sparks rush to peaks

GOLD'S biggest one-day rise for more than two years in the international market sparked off a buying spree in Sydney gold miners which saw the All Ordinaries index hit a record high of 802.9, up 9.

Excitement soon spread to other mining stocks and finally touched oil and gas issues as well. Advances outnumbered declines by three to one.

Some profit-taking later in the session took shares off their best levels of the day. Profits were also reined in as gold prices eased in Hong Kong.

News that Ok Tedi, the gold mine in Papua and New Guinea, would reopen yesterday contributed to a rise for BHP which has an interest in the venture. The diversified resource stock put on 10 cents to A$5.80.

In golds, Bougainville Copper, Australia's largest listed gold producer, was 15 cents ahead at A$2, and heavy trading in Kidston Gold Mines, the subsidiary of Canada's Placer Development, took it 32 cents higher to A$3.40.

SOUTH AFRICA

A RAPID retreat in the bullion price sent investors scampering for profits in Johannesburg. Although the trend was generally firmer, gold shares ended below their early highs.

Buffels was 75 cents ahead at R74.75, and Gold Fields added 20 cents to R30. Anglo American dropped R1 to R169.

CANADA

LOWER prices in Toronto put an end to Tuesday's spectacular rally. Gold stocks gave up most of the previous session's advances, and Campbell Red Lake dropped C$1½ to C$27⅜ and Dome Mines C$⅝ to C$12.

Vancouver was mostly mixed on heavy turnover.

TOKYO

Record high fuelled by yen rally

SUPPORTED by the yen's rally and the sharp rise on Wall Street overnight, buying interest centred on large-capital issues, and asset-heavy stocks drove share prices substantially higher in Tokyo yesterday, with the Nikkei-Dow market average hitting a new high, *writes Shigeo Nishiwaki of Jiji Press.*

Some non-ferrous metals and oil issues were also bought actively, prompted by the escalation of the Iran-Iraq war and rising gold prices.

The Nikkei-Dow gained 63.38 to 12,541.37, eclipsing the previous peak of 12,509.01 recorded on March 4. Volume swelled from Tuesday's 322.33m shares to 426.31m. Advances led declines 407 to 387, with 134 issues unchanged.

Non-ferrous metals in the spotlight included Sumitomo Metal Mining, which topped the active list with 17.53m shares traded and leaped Y60 to Y1,860. Mitsui Mining and Smelting, the second busiest stock with 17.34m shares traded, added Y34 to Y537 and Mitsubishi Metal Y11 to Y671.

The yen's sharp rally prompted investors to place massive buy orders for steels. Nippon Steel, the third most active stock with 17.02m shares changing hands, rose Y3 to Y155, Kobe Steel advanced Y5 to Y162 and Kawasaki Steel Y4 to Y150. Early foreign buying through Yamaichi Securities gave momentum to the rush on steels.

Electric power companies gained on expectations that the yen's rise could cut fuel import costs. Tokyo Electric Power jumped Y110 to Y1,880, Kansai Electric Y60 to Y1,410 and Chubu Electric Y40 to Y1,310. Tokyo Gas also went up by Y10 to Y171.

Asset-heavy stocks, which had been out of favour, attracted buying interest. Mitsubishi Estate, the fifth most active stock with 9.28m shares, gained Y22 to Y610, Mitsui Real Estate Y16 to Y675, Nippon Express Y4 to Y380 and Heiwa Real Estate Y35 to Y665.

Conversely, major brokerage houses declined under profit-taking pressure. Nomura shed Y20 to Y1,250, Yamaichi Y11 to Y805, Daiwa Y15 to Y900 and Nikko Y10 to Y800. Yasuda Fire and Marine lost Y12 to Y488 and Sumitomo Marine and Fire Y22 to Y662.

Bond prices firmed, with the yield on the benchmark 7.3 per cent government bonds maturing in December 1993 dropping to 6.816 per cent

LONDON

GILTS were in demand as fund managers bought back stock sold ahead of the budget on speculation that pension funds would be taxed. Shares firmed in late trading, and the FT Ordinary index ended above 1,000 again, up 4.4 at 1,001.9.

Chief price changes, Page 42; Details, Page 43; Share information service, Pages 44–45

SINGAPORE

EARLY gains in Singapore fell to profit-taking later in the day, and prices ended mixed to slightly lower.

The Straits Times Industrial index dipped 2 to 833.32.

Pan Electric topped the active list and closed 6 cents lower at S$3.06. Cycle and Carriage continued its higher trend, taking on 8 cents to S$3.88.

Plantation issues remained mixed, while the property sector tended firmer.

HONG KONG

AFTER last month's spate of corporate takeovers in Hong Kong, investors paused to consolidate profits. Prices drifted lower, and the mood could not even be raised by news of the sale of Sun Hung Kai Bank.

Among stocks to lead advances were Hongkong and Shanghai Bank and Jardine Matheson, both ahead 15 cents at HK$8.30 and HK$8.55 respectively.

NEW YORK STOCK EXCHANGE COMPOSITE CLOSING PRICES

12 Month High	12 Month Low	Stock	Div.	Yld.	P/E	Sls 100s	High	Low	Close Quote	Ch'ge Prev. Close
23½	16⅛	AAR	.48	2.5	15	618	19	18⅝	19	-⅜
22	9⅝	AGS			11	126	14½	14¼	14⅜	-¼
18⅛	11	AMCA				13	11¼	11⅛	11⅛	
17⅞	13¼	AMF	.50	3.0	38	226	16⅞	16⅝	16⅞	-⅛
43¼	24¼	AMR			9	4771	40⅝	39¼	39⅝	-½
20⅝	16⅝	AMR	pf2.18	11.		26	20¼	20	20⅛	+⅛
25⅞	22⅞	ANR	pf2.67	11.		3	24½	24½	24½	+¾
14¼	8½	APL			3	85	10¼	9¾	10¼	+⅝
57¼	44⅝	ASA	2	3.8		2104	54⅛	52	52⅝	-2⅝
27	18	AVX	.32	1.8	11	654	18¼	17½	17⅞	-⅛
51½	36¾	AbtLab	1.48	2.7	16	3245	u52⅝	51⅝	52	+¾
25⅞	16½	AccoWds	.44	1.9	18	10	23¼	23¼	23¼	
22½	12½	AcmeC	.40	2.8		721	14¾	14¼	14¼	-⅜
10¾	8¼	AcmeE	.32b	3.4	11	7	9½	8½	9½	
17⅜	13	AdaEx	2.11e	13.		109	16¾	16⅝	16⅝	-¼
20	11⅞	AdroM	.32	1.9	7	15	17⅛	16⅞	16⅞	-¼
19½	6⅝	AdvSys	.81t	7.4	16	72	11⅛	10¾	11	+⅜
41⅛	25⅛	AMD			13	7253	33⅝	32	32	-1⅝
12¾	8⅞	Advest	.12	1.2		223	10¼	10	10	-⅛
14⅝	8¾	Aerflex			12	42	12½	12⅜	12⅜	
42⅝	27¼	AetnLf	2.64	6.8	38	1763	40½	39¾	39½	-⅛
38¾	52⅝	AetL	pf5.82e	11.		18	54⅝	54⅝	54⅝	-⅛
[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]

Continued on Page 41

AMERICAN STOCK EXCHANGE COMPOSITE CLOSING PRICES

12 Month High	Low	Stock	Div.	Yld.	P/E	Sls 100s	High	Low	Close Quote	Ch'ge Prev. Close
7¼	3⅞	ADI n			25	145	5⅝	5¼	5⅝	+⅜
14⅛	0¼	AL Lab	.20	1.5	12	33	13⅛	13	13	
20⅝	12	AMC n	.12	.6	14	425	20	19⅝	20	+½
5⅞	2⅝	AM Intl				284	4⅝	4⅛	4⅝	
78¼	56	ATT Fd	5.52e	7.2		01	77	76⅝	77	+⅜
8	2⅞	AcmePr				5	3¾	3¾	3¾	
14¼	8½	AcmeU	.32	3.4	15	21	9⅝	9⅝	9⅝	−⅛
18¼	10¾	Action			22	202	12	11¾	11¾	+½
9¼	3⅞	Acton				68	5⅛	4⅞	4⅞	−¼
3⅞	5-16	Acton wt				10	11-16	11-16	11-16	+1-16
3⅝	1½	AdmRs			4	8	2¼	2⅛	2⅛	−⅛
28½	15⅞	AdRust	.14	.5	20	18	28	27¾	27⅞	−⅛
24¼	15	Adobe	.28	1.5	12	180	18⅞	18¾	18¾	
8⅝	4½	Aeroac			6	38	7½	7⅛	7⅛	+¼
39⅝	28½	AlliPb s			18	61	u40¼	39⅛	39⅞	+1⅛
9¾	8	AirExp			24	38	8⅝	8⅝	8⅝	−⅛
14	5⅞	Aircal			8	203	8⅛	7⅞	8	
8⅛	5	Alamco			56	26	2¼	2⅛	2¼	
92⅛	65½	Almato n			0	167	88½	86	87⅞	+⅞
18	6⅝	AlbaW			23	0	7⅞	7¾	7⅝	−¼
9	5⅝	Aloha				10	8⅛	0	8	
19	9½	Alphain	.05	.4	15	62	11⅞	11⅝	11⅝	−½
1	9-16	Altex				41	1¼	1¼	1¼	
5-10	¼	Altex wt				10	⅜	⅜	⅜	
36	28⅝	Alcoa pf3.75		12.		z200	32	32	32	
28⅛	11	AlzaCp			51	245	24½	23⅞	24⅛	−¼
18⅝	0½	Amdahl	.20	1.4	18	745	15	14½	14¾	−⅞
10½	0½	Amedco	.08	.9		146	9¼	9⅛	9⅛	−¼
0¾	4¾	AmBilt	.15	2.0	4	4	7⅝	7⅝	7⅝	−⅛
7⅞	4	AmCap			22	11	7	6⅞	7	+⅛
44⅞	30⅛	AContrl	1	2.3	12	18	43	45	43	
34¼	12¾	AExp wt				201	32	30¾	31¾	+¾
9	5⅝	AFruc A			12	z2200	8⅞	8⅝	0⅝	−⅛
[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]

Continued on Page 42

NEW YORK STOCK EXCHANGE COMPOSITE CLOSING PRICES

Continued from Page 40

12 Month High	Low	Stock	Div.	Yld.	P/E	Sls 100s	High	Low	Close Quote	Ch'ge Prev. Close
[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]
13	10¾	WyleLb	.32	2.5	10	101	13	12⅞	12⅞	
23⅝	16¾	Wynns	.60	2.1	8	22	22	21¾	22	
X Y Z										
48¼	33¼	Xerox	3	7.0	17	3097	43⅝	42¾	43⅛	−⅝
51⅝	45¼	Xerox pf5.40		11.		211	49¼	48	49	−¼
30	24	ZaleCp	1.32	4.7	9	166	28⅛	27¾	28	
24⅞	13⅜	Zapata	.84	6.1	18	271	14⅛	13¾	13¾	−⅜
56	30	Zayre	.40b	.7	14	559	55⅞	55	55¼	−¾
31¼	18⅛	ZenithE			7	1055	21⅝	20¾	20¾	−⅝
21⅞	14⅝	Zero s			18	24	20	19¾	19⅞	−⅛
31⅝	21⅛	Zurnls	1.32	4.8	18	44	27¾	27⅜	27½	

Sales figures are unofficial. Yearly highs and lows reflect the previous 52 weeks plus the current week, but not the latest trading day. Where a split or stock dividend amounting to 25 per cent or more has been paid, the year's high-low range and dividend are shown for the new stock only. Unless otherwise noted, rates of dividends are annual disbursements based on the latest declaration.

a–dividend also extra(s). b–annual rate of dividend plus stock dividend. c–liquidating dividend. cld–called. d–new yearly low. e–dividend declared or paid in preceding 12 months. g–dividend in Canadian funds, subject to 15% non-residence tax. i–dividend declared after split-up or stock dividend. j–dividend paid this year, omitted, deferred, or no action taken at latest dividend meeting. k–dividend declared or paid this year, an accumulative issue with dividends in arrears. n–new issue in the past 52 weeks. The high-low range begins with the start of trading. nd–next day delivery. P/E–price-earnings ratio. r–dividend declared or paid in preceding 12 months, plus stock dividend. s–stock split. Dividends begins with date of split. sls–sales. t–dividend paid in stock in preceding 12 months, estimated cash value on ex-dividend or ex-distribution date. u–new yearly high. v–trading halted. vi–in bankruptcy or receivership or being reorganised under the Bankruptcy Act, or securities assumed by such companies. wd–when distributed. wi–when issued. ww–with warrants. x–ex-dividend or ex-rights. xdis–ex-distribution. xw–without warrants. y–ex-dividend and sales in full. yld–yield. z–sales in full.

WORLD STOCK MARKETS

AUSTRIA

Mar. 20	Price Sch%	+ or −
Creditanstalt	241	+1
Goesse	410	−15
Interunfall	480	+10
Laenderbank	241	+1
Perlmooser	525	+2
Steyr-Daimler	164	−1
Veitscher Mag	385	....

BELGIUM/LUXEMBOURG

March 20	Price Frs.	+ or −
B.B.L.	1,875	−15
Banq. Int. A. Lux	6,200	....
Bekaert B.	5,020	....
Ciment CBR	2,525	+25
Cockerill	282	+1
Delhaize	7,500	−350
EBES	3,025	....
Electrobel	8,580	+80
Fabrique Nat	2,120	−5
GB Inno BM	3,390	+35
GBL (Brux)	2,110	+85
Gevaert	4,000	−30
Hoboken	5,850	....
Intercom	2,275	+10
Kredietbank	8,850	....
Pan Hldgs.	11,530	+130
Petrofina	6,830	−10
Royale Belge	11,650	+430
Soc. Gen. Banq	5,450	+80
Soc. Gen. Belge	2,090	+30
Sofina	7,750	+80
Solvay	4,400	....
Stanwick Intl.	1,630	+10
Tractionel	4,300	+100
UCB	5,420	+20
Wagon Lits	8,730	+80

DENMARK

Mar. 20	Price Knr %	+ or −
Andelsbanken	294	....
Baltic Skand	530	....
CopHandelsbank	279	....
D. Sukkerfab	645	....
Danske Bank	274	−11
De Danske Luft	1,245	....
East Asiatic	166	+5
Forenede Brygg.	900	+40
Forenede Damp.	103	+1
GNT Hldg	426	+1
I.S.S.B.	396	....
Jyske Bank	540	−20
Novo Ind	1,585	....
Privatbanken	235	+1
Provinsbanken	312	+3
Smidth (F)	082	−3
Sophus Berend	1,015	+10
Superfos	471	−8

FRANCE

March 20	Price Frs.	+ or −
Emprunt 4½% 1973	1595	+15
Emprunt 7% 1973	7,560	....
Accor	278	....
Air Liquid	520	+5
BIC	548	+3
Bongrain	1,885	+35
Bouygues	802	−9
BSN Gervais	2,380	−18
CIT-Alcatel	1,243	+5
Carrefour	1,865	+39
Club Mediter'n	1,178	−22
Cie Bancaire	590	+8
Cofimeg	274.5	+0.5
Damart	2,190	....
Darty	1,230	+5
Dumez S.A.	590	+1
Eaux (Cie Gen)	583	−0
Elf-Aquitaine	236.2	....
Essilor	3,000	−48
Gen. Occidentale	734	+3
Imetal	100	+3.5
Lafarge Coppee	426	+0.0
L'Oreal	2,320	−10
Legrand	2,165	....
Maisons Phenix	235	+6.1
Matra S.A.	1,625	−8
Michelin B	030	+16
Midi (Cie)	2,217	+2
Moet-Hennessy	1,920	−35
Moulinex	108.5	+1.5
Nord Est	80	+0.45
Pernod Ricard	695	−8
Perrier	517	−3
Petroles Fra.	261.5	−3.3
Peugeot S.A.	285	−5.1
Printempt Aus	218	−2
Radiotech	265	−3
Redoute	1,278	....
Roussel-Uclaf	1,665	−35
Sefimeg	383.2	+1.1
Skis Rossignol	1,830	−20
Telemech Elect.	2,488	+30
Thomson CSF	530	+38
Valeo	230	+3

GERMANY

Mar. 20	Price Dm.	+ or −
AEG-Telef	110.7	−0.8
Allianz Vers	1834xr	+7
BASF	010.2	−1.5
Bayer	020	−4
Bayer-Hypo	555	+5
Bayer-Verein	327	+7
BHF-Bank	270	+5.5
BMW	321.5	−3.5
Brown Boveri	215	−2.5
Commerzbank	171.3	+2.5
Cont'l. Gummi	141.3	−0.8
Daimler-Benz	827	....
Degussa	360	+3.1
D'sche Babcock	164	+11.5
Deutsche Bank	442.6	−6.5
Dresdner Bank	185.3xr	+4.8
GHH	153.5	−4
Hochtief	474	−1
Hoechst	214.0	−2.3
Hoesch Werke	111.8	−1.7
Holzmann (P)	527	+2
Horten	174	−4
Hussel	292	+2
Karstadt	214	+1.5
Kaufhof	224	+3.5
KHD	263xr	−1
Kloeckner	75	−2.5
Linde	418.5	+0.5
Lufthansa	198.5	−2
MAN	153	−3.5
Mannesmann	167.8	+4.8
Mercedes Hld.	606	−1
Metallgesel	274	+10
Muench Rueck	1165	+5
Nixdorf	551.5	−2.5
Porsche	1295	−27
Preussag	280	−1
Rhein West Elect	155	+0.5
Rosenthal	249	+1
Schering	455	−3.5
Siemens	553	+1
Thyssen	103.0	−1.3
Varta	185	....
Veba	184.8	....
V.E.W.	122	+0.4
Verein-West	515	....
Volkswagen	205	+0.5

ITALY

Mar. 20	Price Lire	+ or −
Banca Com'le	17,400	−210
Bastogi-IRBS	029.7	+5.7
B.I-Invest	5,470	....
Centrale	3,748	+271
Credito Varesino	4,198	−0
Fiat	2,035	+15
Finsider	52.0	−0.8
Generali Assicur.	48,180	+1800
Italcementi	84,600	+700
La Rinascente	669	+3.8
Montedison	1,458	+26
Olivetti	5,850	+30
Pirelli Co.	4,800	−25
Pirelli Spa	8,184	+7
Snia BPD	8,890	+10
Toro Assic.	14,550	+240
do Pref.	10,051	+521

NETHERLANDS

Mar. 20	Price Fls	+ or −
ACF Holding	125	−3.5
AEGON	195	+3.5
Ahold	225	....
AKZO	111	−0.2
ABN	404.5	+7.8
AMEV	219	+0.7
AMRO	75.1	+1.5
Bredero Cert.	161.5	−0.5
Bos Kalis Westm.	17.5	+0.7
Buehrmann-Tet.	88.8	+0.3
Calland Hldgs.	36.2	+0.2
Credische Pet'm	179	+1.7
Elsevier-NDU	115.5	−0.4
Fokker	104.8	+1
Gist Brocades	183	....
Heineken	160.4	+1.7
Hoogovens	61.5	+0.2
Int Mueller	51.5	−1
KLM	61.2	+0.0
Naarden	48.3	−0.2
Nat Ned Cert	270.0	+0.6
Ned M'd Bank	173	....
Nedlloyd	175.0	+1.5
Oce Grinten	311	+2
Ommeren (Van)	30.1	+0.2
Pakhoed	68.5	+0.2
Philips	61.3	+0.4
Robeco	76.0	+0.4
Rodamco	130	−0.2
Rolinco	68.5	+0.1
Rorento	43.9	−0.1
Royal Dutch	190.3	+0.8
Unilever	349	+3
VMF Stork	148.3	−0.4
VNU	211.2	−1.8
West Utr Bank	106.5	−0.1

NOTES — Prices on this page are as quoted on the individual exchanges and are last traded prices. ‡ Dealings suspended. ad Ex dividend. xc Ex scrip issue. xr Ex rights. xa Ex all.

NORWAY

Mar. 20	Price Kroner	+ or −
Bergens Bank	145	+0.5
Borregaard	370	+2.5
Christiania Bank	143.5	....
DenNorske Cred	147	−12.5
Elkem	147.5	+2.5
Kvaerner	180	+2.5
Norsk Data	405	+1
Norsk Hydro	104.5	−0.5
Storebrand	247	+2

SPAIN

Mar. 20	Price Pta%	+ or −
Bco Bilbao	340	....
Bco Central	315	....
Bco Exterior	205	....
Bco Hispano	158	....
Bco Popular	380	....
Bco Santander	051	+1
Dragados	177	+1
Hidrola	86.2	....
Iberduero	99.5	+1.5
Petroleos	153.2	+5.2
Telefonica	124.2	−1

SWEDEN

Mar. 20	Price Kroner	+ or −
AGA	390	−5
Alfa-Laval	191	....
ASEA (Free)	330	+5
Astra (Free)	370	....
Atlas Copco	108	+1
Cardo (Free)	354	+4
Cellulosa	101	−1
Electrolux B	326	+0
Ericsson	280	+1
Esselte	365	....
Mo och Domsjo	035	−3
Pharmacia	011	−1
Saab Scania Free	430	....
Sandvik	410	....
Skandia	515	+0
Skan Enskilda	62	+0.5
SKF	214	....
St Kopparbergs	139	−1
Sven Handlesbn.	170	+0
Swedish Match	227	−3
Volvo B (Free)	290	+1

SWITZERLAND

Mar. 20	Price Frs.	+ or −
Alusuisse	898	−13
Bank Leu	5,575	....
Brown Boveri	1,640	−40
Ciba Geigy	2,950	−50
do. (Part Certs)	2,440	−30
Credit Suisse	2,445	+10
Elektrowatt	2,860	+50
Fischer (Geo.)	750	−10
Hoff-Roche PtCts	99,505	−250
Hoff-Roche 1/10	8,075	−25
Jacobs Suchard	5,460	−15
Jelmoli	0,000	+20
Landis & Gyr	1,730	+10
Nestle	6,530	−20
Oer-Buehrle	1,488	−10
Pirelli	301	−0
Sandoz (Br)	8,100	+50
Sandoz (PtCts)	1,352	−18
Schindler (PtCts)	800	−10
Sika	1,100	−20
Surveillance	4,265	−35
Swissair	1,155	+18
Swiss Bank	374	+5
Swiss Reinsce	9,850	−05
Swiss Volksbk.	1,485	+5
Union Bank	3,880	+5
Winterthur	3,725	−25
Zurich Ins.	20,830	+100

AUSTRALIA

Mar. 20	Price Aust $	+ or −
ANZ Group	4.33	....
Alliance Oil Dev.	1.10	....
Ampol Pet.	1.88	+0.05
Ashton	0.89	....
Aust. Cons. Ind.	1.88	+0.01
Aust. Guarantee	2.37	+0.02
Aust. Nat. Inds.	2.65	+0.02
Aust. Paper	2.6	+0.02
Bell Group	5.74	+0.04
Bell Res.	6.4	−0.02
Bond Corp Hldgs	1.65	+0.05
Boral	3.28	....
Bougainville	2.	+0.15
Brambles Inds.	3.75	+0.06
Bridge Oil	2.17	+0.02
B.H. Prop	6.8	+0.1
CRA	6.82	+0.18
CSR	2.75	+0.05
Castlemaine Tys.	4.86	+0.1
Coles (G.J.)	3.7	....
Comalco "A"	2.55	....
Consolidated Pet	0.45	+0.02
Costain Aust.	1.5	....
Dunlop Olympic	2.1	....
Elders IXL	3.12	+0.03
Energ Res.	1.43	−0.02

AUSTRALIA (continued)

Mar. 20	Price Aust. $	+ or −
Gen. Prop. Trust	2.15	−0.01
Hardie (James)	3.05	+0.05
Hartogen Energy	2.25	....
Herald W'y Times	5.95	....
ICI Aust.	1.89	....
Jimberlana F.P.	0.25	+0.01
Kia Ora Gold	0.14	+0.02
Land Lease	5.8	−0.1
MIM	2.75	+0.07
Mayne Nickless	5.2	−0.80
Myer Emporium	1.9	−0.01
Nat. Aust. Bank	5.4	−0.05
News	14	....
Nicholas Kiwi	0.0	....
North Bkn Hill	2.35	+0.07
Oakbridge	0.78	....
Pancont'l	1.59	+0.1
Poineer Conc	1.02	+0.02
Poseidon	3.20	+0.2
Queensland Coal	1.41	....
Reckitt & Coln	5.4	....
Repco	1.0	+0.01
Santos	0.74	+0.06
Smith (Howard)	4	+0.1
Thos. Nationwide	1.86	....
Tooth	5.84	+0.04
Vamgas	3.40	....
Western Mining	5.75	+0.17
Westpac Bank	0.33	−0.81
Woodside Petrol	0.89	+0.02
Woolworths	5.20	....
Wormald Intl.	3.75	−0.04

HONG KONG

Mar. 20	Price H.K. $	+ or −
Bank East Asia	21.4	....
Cheung Kong	15	+0.0
China Light	13.6	−0.1
Evergo	1.04	−0.18
Hang Seng Bank	41.5	−4.5
HK Electric	7.05	−0.01
HK Kowloon Wh.	8.2	+0.05
HK Land	4.5	+0.05
HK Shanghai Bk.	8.5	+0.18
HK Telephone	66	+1
Hutchinson Wpa	18.8	+0.1
Jardine Math.	8.55	+0.18
New World Dev.	5.8	+0.05
Orient O'seas	2.35	+0.05
Oseas Trust Bk.	8.52	....
SHK Props	8.5	....
Shell Elect.	1.58	....
Swire Pac A	20.5	+0.3
TV—5	5.8	....
Wheel'k Mard A.	7.15	....
Wheel'k M'time	1.10	....
World Int. Hldns.	1.7	+0.05

JAPAN

Mar. 20	Price Yen	+ or −
Ajinomoto	1,180	+20
Alps Electric	2,200	+10
Amada	1,250	....
Asahi Chem	825	−4
Asahi Glass	900	+5
Bridgestone	518	+1
Canon	1,480	+20
Casio Comp.	1,800	+10
Chugai Pharm.	1,040	−10
Citizen	546	−6
Daiei	515	−4
Dai Nippon Ptg	1,050	+10
Daiwa House	575	+15
Ebara	415	−2
Eisai	1,870	−20
Fanuc	13,350	−60
Fuji Bank	1,630	....
Fuji Film	1,850	+80
Fujisawa	1,060	−40
Fujitsu	1,530	....
Green Cross	2,850	−30
Hasegawa	567	....
Heiwa Real Est.	665	+35
Hitachi	865	+5
Hitachi Credit	1,140	+40
Honda	1,440	−20
House Food	685	−3
Hoya	2,290	+80
Itoh (C)	341	+7
Ito. Yokado	0,450	+10
Iwatsu	1,080	+20
JACCS	338	+2
JAL	5,790	−110
Jusco	678	−1
Kajima	270	−6
Kao Soap	855	....
Kashiyama	590	−8
Kirin	585	....
Kokuyo	886	....
Komatsu	456	+8
Konishiroku	875	+9
Kubota	324	....
Kumagai	610	+30
Kyoto Ceramic	6,170	+20
Maeda Const.	495	+10
Makino Milling	1,400	+50
Makita	1,090	−20
Marubeni	510	+8
Marudai	551	−1
Marui	964	−1
MEI	1,610	+10
M'ta Elec Works	810	+10
M'bishi Bank	1,580	+10
M'bishi	520	+3
M'bishi Elect	400	+4
M'bshi Estate	610	+22

JAPAN (continued)

Mar. 20	Price Yen	+ or −
MHI	275	+3
Mitsui	339	+12
Mitsui Estate	675	+15
Mitsukoshi	421	+0
NGK Insulators	1,040	+20
Nihon Cement	225	—
Nippon Denso	1,470	+0
Nippon Elect	1,160	+10
Nippon Express	560	+4
Nippon Gakki	2,160	....
Nippon Kokan	137	+1
Nippon Oil	665	+28
Nippon Seiko	568	+2
Nippon Shimpan	562	−13
Nippon Steel	155	+3
Nippon Suisan	334	+4
NTV	11,500	....
Nippon Yusen	245	+4
Nissan Motor	641	+1
Nisshin Flour	455	−5
Nisshin Steel	173	+2
Nomura	1,250	−20
Olympus	1,260	+10
Orient Leasing	5,000	−50
Pioneer	2,850	−10
Renown	660	+5
Ricoh	825	+5
Sankyo	1,300	....
Sanyo Elect.	480	−8
Sapporo	406	−5
Sekisui Prefab	567	+17
Seven-Eleven	8,680	+140
Sharp	1,050	−10
Shimadzu	815	+4
Shionogi	720	+11
Shiseido	1,060	−10
Sony	4,680	−20
Stanley	1,010	−30
S'tomo Bank	1,790	−10
S'tomo Elect	220	+2
S'tomo Marine	662	−22
S'tomo Metal	155	+2
Taihei Dengyo	500	+1
Taisei Corp.	204	−1
Taisho Pharm	1,060	+10
Takeda	825	+4
TDK	5,090	−50
Teijin	434	+1
Teikoku	560	+10
Tokyo Marine	895	−5
TBS	770	−10
Tokyo Elect Pwr	1,680	+110
Tokyo Gas	171	+10
Tokyo Sanyo	727	+2
Tokyo Style	708	−0
Tokyu Corp.	567	+12
Toppan Print	860	+0
Toray	448	−4
Toshiba Elect.	410	....
TOTO	578	+08
Toyo Seikan	880	−7
Toyota Motor	1,360	−10
Victor	2,310	+50
Wacoal	710	−11
Yamaha	801	−4
Yamanouchi	5,580	+20
Yamazaki	610	−15
Yasuda Fire	468	−12
Yokogawa Bdge.	418	+5

SINGAPORE

Mar. 20	Price $	+ or −
Boustead Hldgs.	1.72	−0.01
Cold Storage	2.65	....
DBS	5.25	+0.05
Genting	5.7	+0.05
Haw Par. Bros.	0.38	−0.05
Hong Leong Fin.	3.0	....
Inchcape Bhd.	0.42	−0.01
Keppel Shipyard	1.75	−0.02
Malay Banking	8.15	....
Malay Utd. Ind.	3.43	−0.05
Multi Purpose	0.07	....
OCBC	8.45	....
OUB	5.8	....
Public Bank	1.54	+0.31
Sime Darby	2.03	−0.02
Singapore Press	6.25	....
Straits Trdg.	4.45	....
Tat Lee Bk	0.78	+0.01
UOB	4.58	+0.04

SOUTH AFRICA

Mar. 20	Price Rand	+ or −
Abercom	1.27	+0.04
AE&CI	7	+0.25
Allied Tech	48	....
Anglo Am Coal	43.25	+1
Anglo Am Corp	23.1	+0.1
Anglo Am Gold	152	−1
Barclays Bank	14.5	+0.5
Barlow Rand	10.25	+0.05
Buffels	74.75	+0.75
CNA Gallo	2.3	....
Currie Finance	3.45	....
De Beers	8.28	+0.25
Driefontein	30.25	+0.8
FS Geduld	68.5	+2.5
Gold Fields SA	30	+0.2
Highveld Steel	4.0	....
Nedbank	8.7	−0.05
OK Bazaars	13.0	[illegible]
Protea Hldgs.	1.5	....
Rembrandt	34	+0.05
Rust Plat	15.8	+0.3
Sefren	13.5	....
Sage Hldgs.	8.0	+0.1
SA Brews	6.2	+0.1
Smith (AG)	20.7	+0.2
Tongaat Hulet	6	+0.05
Unisec	4.7	....

CANADA

TORONTO
Prices at 2.30pm March 20

We regret that due to communications problems this listing is incomplete.

Sales	Stock	High	Low	Close	Chng
037	Abti Prce	$55¾	54⅝	55¾	+1¾
45100	Agnico E	515¼	14¾	15	−¾
4225	Alt Energy	316⅞	18¾	18¾	−¾
500	Alta Nat	$15½	15½	15½	
100	Andrs WA 1	$34⅞	24⅛	24¼	
526	Argcen	519¼	19	19¼	+¼
17500	Asco I I	$8½	8⅜	8⅜	−⅛
197	BP Canada	$27	27	27	−¼
7651	Bank BC	$5¾	5⅝	5¾	
3135	Bank N S	$13⅛	12⅞	12⅞	−⅛
27250	Barrick o	150	142	147	−7
1400	Baton A f	$15¾	15½	15¾	+¼
4625	Bonanza R	405	405	405	
4200	Bralorne	495	400	495	
100	Bramalea	517⅛	17½	17½	−¼
1300	Brenda M	$9¼	9	8¼	+¼
3300	BCFP	$16	9½	9¾	−¼
9218	BC Res	248	246	247	−1
6850	BC Phone	$21⅞	21¾	21¾	−⅛
500	Brunswk	815⅝	15¼	15¼	−¼
1250	Budd Can	$24⅞	24¾	24⅛	−⅛
38750	CAE	517¾	17½	17½	
4000	CDistb B f	$6¼	6¼	8¼	
600	Cad Frv	$18¼	18	18	−⅜
1456	C Nor West	$23⅜	23	23¼	
5000	C Packrs	$29¾	29½	26½	+¼
4392	Can Trust	$32⅞	32⅝	32¾	−¼
100	C Tung	$14⅛	14½	14½	−¼
7313	CI Bk Com	$29⅛	29¾	29⅛	
112068	CTire A f	$8⅛	6⅝	6¾	
36000	C Util B	517	16⅞	17	+⅛
6200	Cara	$11¾	11⅝	11⅝	−¼
400	Celanese	$7⅛	7	7⅛	−⅛
5400	C Distb A	$8¼	8¼	8¼	+⅛
4000	CDistb B f	$6¼	8¼	6¼	
2150	CTL Bank	$10⅜	16⅛	16⅛	−¼
500	Conventrs	$5¾	5¾	5¾	
250	Conwest A	$8	6	6	
1200	Coseka R	279	276	276	−3
2100	Crownx	$18	17¾	187	
7600	Czar Res	158	152	152	−5
43542	Daon Dev	420	418	418	−18
300	Daon A	420	420	420	
22450	Denison A p	$13¾	13⅛	13½	−¼
57350	Denison B f	$13	12¾	12¾	−⅛
2100	Develcon	$7⅜	7¼	7¼	−⅛
10500	Dicknsn A f	$5¾	5¼	5½	−⅝
0101	Dylex A	$40	39¼	39½	+¼
33550	Echom X	$9	8¾	5¾	−⅛
30835	Equity Svr	$7⅝	7½	7½	−¼

MONTREAL
Closing prices March 19

Sales	Stock	High	Low	Close	Chng
24850	Bank Mont	$26¼	25⅞	26⅛	
2100	ConBath	318	17⅝	18	+⅜
5549	DomTxtA	$11¾	11⅝	11⅝	+⅛
1417	MntTrst	$14⅛	14	14⅛	−⅛
17571	NatBk Cda	$17⅞	17⅝	17¾	
4500	Power Corp	$27½	27½	27½	+⅛
3500	RollandA	$23	22¾	22⅞	−⅛
1200	RollandB	$22⅞	22⅞	22⅞	−¼
12538	Royal Bank	$29⅜	29⅛	29¼	
30000	RoyTrstco	$19⅜	19¼	19¼	+¼
555	SteinbrgA	$33¾	33¾	33¾	+½

Total Sales 3,163,229 shares

AMERICAN STOCK EXCHANGE CLOSING PRICES

12 Month High	12 Month Low	Stock	Div.	Yld.	P/E	Sls 100s	High	Low	Close Quote	Ch'ge Prev. Close
		Continued from Page 41								
[illegible]										
6⅞	5¾	Susqueh			7	58	6⅝	6½	6⅝	
6¼	2½	Swank				43	2¾	2½	2⅝	
2½	1½	SwftE n			11	1	1⅝	1⅝	1⅝	
[illegible]										
10⅝	5⅞	UnivRs			25	51	8	7⅞	7⅞	
23⅜	15⅝	UnivRu	.80e	4.6	7	2	17¼	17¼	17¼	−⅛
15¾	6½	UnvPat				27	13½	13¼	13½	
[illegible]										

OVER-THE-COUNTER
Nasdaq national market, 2.30pm prices

Stock	Sales (Hnds)	High	Low	Last	Chng
[illegible]					
Hmecft		192	6	5½	5¾
HmeSL		11	22¼	22¼	22¼
HonInd	.58	146	16½	16¼	16¼
HookDr	1	1	36	36	36
Hoover	1.20	250	27⅛	26⅞	26⅞
HrznAir		260	5⅞	5¾	5¾
Horzind		59	4¼	4	4
HwBNJ		472	28⅝	20⅝	20⅝
HungTg		29	8⅛	8	8⅛
HuntJB	.05e	144	27½	20½	27¼
HntgRs		121	11	10⅜	10⅞
HuntgB	1.48b	61	37½	37¼	37½
Hurco		91	4½	4	4
Hybritc		220	18½	18	18
[illegible]					

LONDON
Chief price changes
(in pence unless otherwise indicated)

RISES

Treas. 15½% 1998	£126	+1
Appledore (A & P)	151	+24
BICC	247	+17
Beazer (C H)	398	+10
Cons Modder	619	+48
Elandsrand	705	+45
Eurotherm	340	+12
Garnar Booth	213	+9
Leeds Group	175	+18
Lon & Edin Tr	256	+14
Man Ag & Music	160	+8
Mackay (Hugh)	86	+6
Pleasurama	448	+23
Plessey	200	+6
Rust Plat	745	+45
Sons of Gwalia	78	+7
Tesco	243	+6
United Biscuits	185	+7
Willis Faber	706	+23
Wimpey (Geo)	104	+6

FALLS

Tr 2½% IL 2013	£88⅞	−2
BAT	353	−10
BTR	710	−15
Barratt	72	−6
Bestobell	230	−7
Christies	612	−21
Distillers	297	−6
Hogg Robinson	290	−15
Jaguar	330	−12
TI	238	−6

Continued on Page 50

LONDON STOCK EXCHANGE

MARKET REPORT

Gilts feature strongly but overall reception to Budget proposals is mixed

Account Dealing Dates

Option *First Dealings	Declarations	Last Dealings	Account Day
Mar 11	Mar 21	Mar 22	Apr 1
Mar 25	Apr 11	Apr 12	Apr 22
Apr 15	Apr 25	Apr 26	May 7

* "New-time" dealings may take place from 9.30 am two business days earlier.

The Chancellor's austere Budget was given a mixed reception in London stock markets yesterday. Government bonds responded strongly in heavy trading, reflecting the removal of recent fears of tax changes coupled with early buoyancy in sterling and late-morning news of a small reduction in bank base rates from 14 per cent to 13½ per cent. Equity investors, on the other hand, were not over-impressed by any of these events.

Sterling remained the focal point and fluctuated sharply after touching a high of $1.1745 against the dollar. It reacted as foreign exchange markets showed concern over the swift move towards cheaper domestic money. The rate finally settled at $1.1515 for a rise of 1½ cents on the day.

Operators stormed the Gilt-edged pitches from the opening bell. Early scenes were chaotic with high-coupon stocks all the rage. Fund managers scrambled to buy back stock sold ahead of the Budget on persistent speculation that the Chancellor would decide to tax pension funds. Heavy business also resulted from the unwinding of positions taken out after the recent abolition of dividend-stripping or bond-washing. These involved switches of funds to low-coupon and particularly index-linked gilts.

The latter sustained falls ranging to two points, but conventional high-coupon issues rose 1½ points before closing around a point up on the session. Other longer maturities were checked by official sales of the two tranches of stock made available to the market only yesterday morning. The Government broker sold Conversion 9¾ per cent 2001 at 93½ and later 93¾, and also stock of Exchequer 11 per cent 1991, at 96, before withdrawing to await higher bids. Short-dated stocks lagged throughout and gradually surrendered early improvements to finish slightly lower on the day.

Leading shares took some time to shake off early uncertainty. Wall Street's best rise for some two months failed to enthuse buyers, and U.S.-related stocks tended to lose ground as the pound rose. Further good company trading statements made little impact in a market which seemed likely to close marginally easier. After the official 3.30 pm close, however, small demand in the wake of resumed Wall Street firmness encouraged an upturn which took the FT Ordinary share index above 1,000 again for a net gain of 4.4 at 1,001.9.

Better than expected preliminary profits helped Willis Faber resist a dull trend in Lloyds Brokers and close 23 higher at a 1984-85 peak of 708p. Sentiment in the sector was affected generally by the fresh fall in the dollar. Hogg Robinson fell 15 to 230p and Sedgwick gave up 10 at 397p, while C. E. Heath slipped 7 to 658p and Derek Bryant 5 to 485p. Life Insurances boiled over after Tuesday's late rise on relief that the much-feared tax on pension funds had not materialised. Profit-taking clipped 6 from Britannic, at 674p, while Refuge declined 12 to 338p. Legal and General, however, rose 10 more for a two-day advance of 40 to 670p.

Easier of late following the South African Budget proposals, Standard Chartered dropped nervously to 455p on rumours that its bullion subsidiary, Mocatta and Goldsmith, had incurred heavy losses in the gold market, but rallied on the company's strong denial to close a penny harder on balance at 468p. Major clearing banks edged forward in moderate trading with the half-point reduction in base lending rates making scant impression. Barclays closed 5 dearer at 580p. Elsewhere, Goode Durrant and Murray, in which Mr Michael Waring, a South African businessman, recently acquired a controlling stake, rose 4 to 104p.

Wines and Spirits failed to consolidate on Tuesday's late buoyancy and closed with modest losses across the board; the change in sentiment was mainly attributable to Distillers which dipped 8 at 297p following a bearish circular from brokers Wood Mackenzie.

Building issues remained selectively firm, the immediate abolition of Development Land Tax boosting the Housebuilding sector. Investors tended to ignore the implications of a possible further increase in mortgage rates and showed interest in George Wimpey, 6 higher at 104p, and C. H. Beazer, 10 up at 398p. Buyers also favoured Wilson Connolly and Y. J. Lovell, both 6 better at 190p and 204p respectively. Bryant Holdings, interim results due on March 27, added 3 to 75p, while M. J. Gleeson improved 4 to 222p. Barratt Developments, however, shed 6 to 72p after comment on the half-year figures. Cements made progress under the lead of Rugby Portland which gained 5 to 132p. Blue Circle rose 8 to 523p. Buying in a market none-too-well supplied with stock lifted Tarmac 10 to 516p. Elsewhere, John Maunders firmed 3 to 130p, after 132p, following the good half-year figures and confident statement. Brick concern Ibstock Johnsen added 5 more to 290p.

Currency fluctuations continued to have a major effect on trading in ICI and the price dipped to 760p prior to closing a couple of pence cheaper at 775p.

Secondary stores showed scant alteration, although Marks and Spencer supplier S. R. Gent dipped 4 to 136p following the sharply reduced interim profits. Profit-taking clipped 3 from Martin Ford at 43p, but buyers displayed fresh interest in Cecil Gee, 175p, and James Beattie A, 135p, up 8 and 7 respectively.

Publicity given to a brokers' circular prompted renewed support of Leather concern Garnar Booth, 9 up for a two-day advance of 18 at 213p, after 218p.

BICC dip and rally

Favourable reports emanating from an analysts' meeting held after announcement of BICC's preliminary results helped the shares overcome initial disappointment with the near-10 per cent increase in pre-tax profits to £90m and close 17 higher on the day at 247p. Other Electrical leaders were undecided. Plessey rallied 6 to 200p and Thorn EMI 5 to 418p, after 405p. Awaiting today's third-quarter figures, British Telecom softened a penny to 134p. Elsewhere, Suter, at 153p, and George H. Scholes, at 420p, put on 5 and 10 respectively after trading statements, while Eurotherm rose 12 to 340p in the wake of the annual general meeting.

Apart from a flurry of activity in Vickers, which fell to 254p before recovering smartly on revived rumours of the possible sale of its Millbank headquarters to close 4 dearer on balance at 267p, leading Engineers passed a rather subdued trading session. TI encountered selling and gave up 8 to 238p, while GKN, a particularly good market of late, drifted off to close 4 down at 239p.

Food Retailers took a modest turn for the better on hopes that the changes in National Insurance contributions could reduce employment costs. Tesco, additionally helped by news of a pilot personal banking scheme being run in conjunction with Midland Bank, firmed 6 to 243p. Associated Dairies hardened a couple of pence to 158p, after 160p. Argyll were supported and rose 6 to 278p. Elsewhere, United Biscuits moved up 7 to 185p.

Among Hotels, Ladbroke attracted steady support and closed 6 higher at the day's best of 252p.

Christies Int. sold

Miscellaneous industrial moved a few pence either way with the exception of BTR which met with renewed selling and gave up 15 further at 710p. Profit-taking clipped 7 from Metal Box at 428p. Elsewhere, Christies International, bought recently on its overseas earnings potential, ran into selling and fell 21 to 612p, while Bowater, awaiting today's preliminary statement, drifted off to close 4 cheaper at 259p. Bestobell, closed down 7 more at 230p, after 225p, still reflecting the company's decision to defer the annual results pending the outcome of negotiations on contract losses by its Australian subsidiary. Poor annual profits left VW Thermax 3 lower at 70p, while Rockware gave up 5 at 50p awaiting today's preliminary figures. Appledore, a strong market since the joint agreement with Bellway to acquire Falmouth Shiprepair, advanced 24 more to 151p accompanied by reports of heavy option business. Newsletter comment prompted a gain of 5 to 100p in MCD, while Fisons new shares were good at 78p premium, up 10.

The Leisure sector featured casino group Pleasurama which rose 23 to 448p in reply to excellent annual results and 100 per cent scrip issue. Elsewhere, GRA Group firmed 2½ to 59½p and Southend Stadium put on 5 to 43p helped by the abolition of Development Land Tax. Management Agency and Music gained 8 to 160p on revived speculative interest.

The continued strength of sterling coupled with a cautious Press article provoked further selling of Jaguar which dipped to 326p before settling for a fall of 12 at 330p—a two-day decline of 27 — ahead of today's preliminary figures. In contrast, Motor Components usually displayed modest gains. Armstrong Equipment hardened a few pence to 38p following the increased interim profits and dividend, while a closer examination of the full-year results lifted Automotive Products 2 to 58p. AE, on the other hand, gave up 3 to 161p. Distributors featured Lex Service which rallied 9 to 214p following the sale of its Chanslor and Lyon automotive parts distribution business, based in California, to Cardis for around $31m.

With expectations of more fundamental reforms in Capital Gains Tax dashed, leading Properties lost some of their recent sparkle and settled a shade easier for choice. Elsewhere, London and Edinburgh, judged to be a beneficiary from the Chancellor's proposal to abolish Development Land Tax, gained 14 to 256p in a restricted market. Buyers continued to favour Rosehaugh, which touched a 1984-85 peak of 980p prior to closing a net 45 up at 970p. Trafford Park Estates added 3 to 215p helped by increased half-year profits.

ing issues tended to lose ground with Courtaulds 4 cheaper at 149p and Dawson International 8 off at 290p. Hugh Mackay, however, advanced 6 to 86p, after 88p, following sharply increased full-year profits, while fresh speculative demand lifted Leeds 18 to 175p.

Bats dipped 10 to 353p as currency influences overshadowed a "buy" recommendation from brokers de Zoete and Bevan. Imps remained volatile on HoJo speculation, but settled 3 up on balance at 192p, after 186p.

BP advance

A gradual improvement in crude oil spot prices, sustained U.S. buying and talk of a stock shortage boosted BP 18 to 553p. Other leading Oils, however, were much quieter. Shell managed a 5 gain at 748p but LASMO eased a couple of pence to 338p. Britoil initially dipped to 215p before recovering to 220p and closing a net 3 lower at 217p following the U.S. oil and gas acquisitions; preliminary results are expected today. A drilling report from the U.S. saw Falcon Resources touch extremes of 449p and 437p before the shares closed a net 2 off at 445p. Sovereign Oil encountered sustained profit-taking and retreated 12 to 195p.

Golds below best

The chaotic performances of the dollar and gold produced another bout of activity in gold-related sectors of mining markets. The marked weakness of the dollar in overnight U.S. markets triggered heavy covering in the gold futures market there which in turn gave a major boost to bullion prices in the Far East. Up to $341 in New York overnight and $345 in Hong Kong bullion dipped to $335 at the opening of London gold markets before racing ahead to briefly touch $350 an oz. Thereafter the price fell sharply and eventually settled a net $4.5 higher at $322.5, for a four-day rise of $30.75.

South African Golds consequently surged ahead in the U.S. on Tuesday evening, with gains exaggerated by an acute stock shortage. London jobbers marked prices sharply higher at the outset of trading and quickly raised prices further following sustained domestic and Johannesburg demand. The subsequent downturn in the metal price, however, prompted sizable profit-taking sales after which business became evenly matched. Most issues closed with good gains on balance but well below the day's best levels.

The Gold Mines index posted a further 10.7 advance at 517.7, for a two-day improvement of 36 points.

Financials registered widespread gains but the level of activity lagged well behind that in gold shares. Minorco responded to U.S. support and moved up 35 to 750p while De Beers surged ahead to 440p before easing back to close a net 12 to the good at 425p. In the UK stocks, Consolidated Gold Fields were bought up to 580p but subsequently settled a net 14 better at 523p—a rise of 45 over the past three days.

FINANCIAL TIMES STOCK INDICES

	Mar. 20	Mar. 12	Mar. 18	Mar. 15	Mar. 14	Mar. 13	year ago
Government Secs.	90.57	20.45	60.50	80.28	79.91	80.15	83.13
Fixed Interest	84.57	84.21	84.01	83.87	83.66	86.97	86.84
Ordinary	1001.9	997.5	995.4	1003.5	990.1	987.4	901.4
Gold Mines	517.7	507.0	481.7	478.2	486.2	484.1	590.8
Ord. Div. Yield	4.54	4.56	4.53	4.52	4.87	4.56	4.23
Earnings, Yld.% (full)	11.33	11.28	11.28	11.10	11.28	11.55	2.38
P/E Ratio (net) (*)	10.81	10.81	10.82	10.91	10.79	10.73	12.69
Total bargains (Est.)	25,668	23,971	28,532	23,420	24,154	23,804	28,573
Equity turnover £m.	—	534.22	527.37	411.55	395.20	387.26	418.44
Equity bargains	—	22,693	25,508	22,581	21,093	22,621	28,053
Shares traded (ml)	—	186.8	178.2	204.1	120.5	190.8	233.0

10 am 994.7. 11 am 997.0. Noon 996.1. 1 pm 997.2. 2 pm 997.7. 3 pm 997.5.

Basis 100 Govt Secs. 15/10/26. Fixed Int. 1928. Ordinary 1/7/35. Gold Mines 12/9/55. SE Activity 1974.

Latest Index 01-246 8026.

*Nil = 10.45.

HIGHS AND LOWS / S.E. ACTIVITY

—	1984/85 High	1984/85 Low	Since Compilat'n High	Since Compilat'n Low		Mar. 19	Mar. 18
Govt. Secs.	83.77 (9/1/84)	74.72 (30/7/84)	127.4 (9/1/35)	42.19 (3/1/75)	Daily Gilt Edged Bargains	157.0	175.1
Fixed Int.	87.48 (14/3/84)	80.43 (30/7/84)	150.4 (28/11/47)	50.35 (3/1/75)	Equities Bargains	146.4	165.3
Ordinary	1024.5 (22/1/85)	755.3 (25/7/84)	1024.5 (22/1/85)	49.4 (26/6/40)	Equities Value	377.1	551.7
Gold Mines	711.7 (8/5/84)	432.5 (25/1/85)	734.7 (15/2/83)	43.5 (26/10/71)	5-day Average Gilt Edged Bargains	152.7	162.0
					Equities Bargains	148.1	150.7
					Equities Value	750.3	766.7

NEW HIGHS AND LOWS FOR 1984/5

NEW HIGHS (95)

BRITISH FUNDS (2)
FOREIGN BONDS (1)
CANADIANS (1)
BANKS (3)
BUILDINGS (6)
STORES (5)
ELECTRICALS (2)
ENGINEERING (13)
FOODS (3)
INDUSTRIALS (16)
INSURANCE (3)
LEISURE (3)
MOTORS (2)
NEWSPAPERS (2)
PAPER (2)
PROPERTY (7)
SHOES (2)
TEXTILES (4)
TRUSTS (12)
OILS (2)
PLANTATIONS (1)
MINES (2)

NEW LOWS (15)

STORES (1)
Gent (S. R.)
ELECTRICALS (2)
Memory Computer Wordplex
FOODS (1)
Sisters Food
INDUSTRIALS (3)
Bestobell V.W. Thermax Sidlaw
LEISURE (3)
Anglia TV A Spectrum Radio City A N-V
PROPERTY (1)
Control Securities
SHOES (1)
Newbold & Burton
OILS (2)
N.Z. Oil & Gas Orbit
MINES (1)
Petaling Tin

TUESDAY'S ACTIVE STOCKS

Based on bargains recorded in Stock Exchange Official List.

Stock	No. of changes	Tues. close	Day's change
BAT Inds	21	363	−12
Jaguar	20	342	−15
Falcon Res	18	447	−8
GUS A	18	783	+30
ICI	18	777	−23
Cns Gold Flds	18	509	+14
Barratt Deve.	15	78	+12
Glaxo	15	£11½	−⅛
Allied Irish Bk	15	112	—
Beralt (SOW)	15	164	−7
Beatrix Mines†	14	42pm	+7
North Kalgurli	14	34	+4½
RTZ	14	660	+16
Shell Trans	14	740	−23

† Nil paid

RECENT ISSUES

EQUITIES

Issue price	Amount paid up	Latest Renunc. date	1984/85 High	1984/85 Low	Stock	Closing price	+ or −	Net Div.	Times covered	Gross Yield	P.E. Ratio
—	F.P.	—	280	280	✠Addison Page 5p	280	.....	u2.3	2.8	1.2	42.9
§88	F.P.	12/4	79	72	✠BTS 10p	79	−2	bg3.4	2.0	6.4	9.9
150	F.P.	5/5	152	131	Berkeley Technology	151	.....	bQ5.7c	1.6	4.0	13.8
§90	F.P.	1/3	145	112	✠Bluebird Toys 10p	140	.....	u3.15	2.3	3.2	19.7
‖	F.P.	—	137	118	Cullen's Hldgs 10p	126	−2	—	—	—	—
100	F.P.	22/6	111	101	German Small Units■	109	−1	—	—	—	—
¶145	F.P.	14/3	180	155	Hillsdown Hldgs. 10p	160xd	−5	gd3.3	♦	3.1	♦
¶145	F.P.	25/4	161	156	Mann 20p	157	.....	bg3.5	2.8	3.2	15.2
§100	F.P.	12/4	130	117	✠Mayhew Foods 10p	125	.....	bg1.93	2.8	2.2	19.4
‖	F.P.	—	325	255	✠Memcom Intl. 10p	280	−5	3.5	4.1	1.8	17.8
§125	F.P.	22/3	218	190	✠Osborne & Little 5p	205	.....	bg2.0	3.2	1.4	32.5
100	73	1/3	78	70	Pacific Assets Tst.50p	73	−½	—	—	—	—
—	F.P.	—	44	32	Do. Ser. 1 Warrants	44	.....	—	—	—	—
¶¶	F.P.	—	90	80	P.&O. Warrants	90	.....	—	—	—	—
100	F.P.	18/4	107	100	✠Pepe 10p	104	+2	u5.0	2.5	4.1	13.8
‖	F.P.	—	60	57	✠Sangem	55	−5	—	—	—	—
§188	F.P.	11/4	183	148	✠Sime Catering 5p	158	.....	bg3.5	2.1	3.4	18.5
§174	F.P.	1/5	223	200	✠Synapse Comp'r. 3p	220	−5	bgd1.7	5.1	1.0	28.8

FIXED INTEREST STOCKS

Issue price £	Amount paid up	Latest Renunc. date	1984/85 High	1984/85 Low	Stock	Closing price £	+ or −
91.574	£50	10/4	55⅛	27	African Dev. Bank 11⅛% Ln. 2010	55⅛	+⅝
¶¶	F.P.	—	113	108	Beazer (C. H.) 8½% Uns. Ln. 2000	112	+2
100	£10	2/5	15¼	11¾	Bournemouth Wtr. 12¾% Red. Deb. '95	12⅛	+¼
§101	£51	15/2	54	30	Felixstowe Dock Prf. Units	33	.....
95.81	£30	19/3	30⅞	24	Int.-Am. Dev. Bk. 8¾ Ln. 2015	30⅞	+¼
[illegible]							

RIGHTS OFFERS

Issue price	Amount paid up	Latest Renunc. date	1984/85 High	1984/85 Low	Stock	Closing price	+ or −
[illegible]							

Renunciation date usually last day for dealing free of stamp duty. b Figures based on prospectus estimates. d Dividend rate paid or payable on part of capital, cover based on dividend on full capital. g Assumed dividend and yield. u Forecast dividend cover based on previous year's earnings. F Dividend and yield based on prospectus or other official estimates for 1985. H Dividend and yield based on prospectus or other official estimates for 1984. Q Gross. p Pence unless otherwise indicated. ¶ Issued by tender. ‖ Offered holders of ordinary shares as a "rights." ** Issued by way of capitalisation. §§ Reintroduced. ¶¶ Issued in connection with reorganisation merger or takeover. ■ Allotment letters or fully-paid. ‖‖ Introduction. ✠ Unlisted Securities Market. § Placing price. † Figures assumed. †† Official London Listing. ‡‡ Dealt in under Rule 535(3). † Comprising 100 Prf. and one Ptg. share. ‡ Comprising one 11 per cent Cnv.Uns.Ln. stk. and one Warrant. ● With Warrants attached. ‡‡ Units comprising one New Ord., four New Prf. and one Warrant. ♦ Figures or report awaited.

OPTIONS

First Dealings	Last Dealings	Last Declaration	For Settlement
Mar 4	Mar 15	June 13	June 24
Mar 18	Mar 29	June 27	July 8
Apr 1	Apr 19	July 11	July 22

For rate indications see end of Share Information Service

Active conditions prevailed in Options with calls transacted in Jardine Matheson, Oliver Prospecting, Premier Oil, Charterhouse Petroleum, Abaco, Tranwood, North Kalgurli, C. H. Bailey, Harold Ingram, Fobel International, Brunswick Oil, Churchill Energy, Flogas, Waring and Gillow, Falcon Resources, Shaw Carpets, Barker and Dobson, Rockware, Cosalt, Mercantile House, Selincourt, ERIC, Bats, Bryson, Marley, Barratt Developments, Osceola, George Wimpey and Speyhawk. Puts were taken out in Tarmac and Aberfoyle.

ACTIVE STOCKS

Above average activity was noted in the following stocks yesterday.

Stock	Closing price	Day's change
BAT Inds	353	−10
Barker and Dobson	7	+½
Falcon Resources	445	−2
Heath (C. E.)	658	−7
Hogg Robinson	230	−15
ICI	775	−2
Imperial Group	192	+3
Jaguar	330	−12
Rothmans International	192	—
Selincourt	24	+½
Stewart Wrightson	645	—
Willis Faber	708	+23

RISES AND FALLS YESTERDAY

	Rises	Falls	Same
British Funds	65	29	12
Corpns. Dom. and Foreign Bonds	32	0	41
Industrials	315	270	587
Financial and Props.	93	155	300
Oils	15	35	73
Plantations	4	2	7
Mines	74	28	76
Others	112	60	50
Totals	710	583	1,410

FT-ACTUARIES SHARE INDICES

These indices are the joint compilation of the Financial Times, the Institute of Actuaries and the Faculty of Actuaries

Figures in parentheses show number of stocks per section

	EQUITY GROUPS & SUB-SECTIONS	Wed March 20 1985 Index No.	Day's Change %	Est. Earnings Yield % (Max.)	Gross Div. Yield % (ACT at 30%)	Est. P/E Ratio (Net)	Tues March 19 Index No.	Mon March 18 Index No.	Fri March 15 Index No.	Thur March 14 Index No.	Year ago (approx.) Index No.
1–66	[illegible]										
67	Insurance (Brokers) (6)	1228.39	−0.5	6.83	3.21	19.25	1235.18	1240.65	1248.70	1180.67	740.92
68	Merchant Banks (12)	235.49	−0.7	—	4.56	—	237.16	236.98	239.04	237.38	254.52
69	Property (50)	646.82	−0.1	5.42	3.49	24.55	647.76	645.65	642.72	639.74	575.66
70	Other Financial (25)	292.04	+0.3	8.96	5.37	13.50	291.26	289.11	293.54	293.42	281.41
71	Investment Trusts (106)	623.40	−0.7	—	3.18	—	627.91	631.15	632.41	631.72	527.99
81	Mining Finance (4)	302.82	+1.3	9.48	5.02	13.44	298.83	292.05	288.35	288.65	338.23
91	Overseas Traders (14)	665.92	+0.2	9.45	6.26	13.13	664.63	660.35	663.58	663.92	586.37
99	ALL-SHARE INDEX (738)	629.72	+0.1	—	4.32	—	628.88	627.87	630.16	625.62	531.00

	Index No.	Day's Change	Day's High	Day's Low						
FT-SE 100 SHARE INDEX	1307.2	+2.7	1307.3	1301.5	—	1304.5	1300.3	1309.9	1299.7	1123.3

FIXED INTEREST

	PRICE INDICES	Wed March 20	Day's change %	Tues March 19	xd adj. today	xd adj. 1985 to date
	British Government					
1	5 years	116.45	−0.04	116.50	—	2.33
2	5-15 years	127.80	+0.39	127.30	—	2.56
3	Over 15 years	134.37	+0.44	133.78	—	2.03
4	Irredeemables	146.24	+0.44	145.60	—	1.62
5	All stocks	126.57	+0.25	126.26	—	2.43
6	Debentures & Loans	108.89	+0.30	108.56	—	1.66
7	Preference	77.15	+0.34	76.89	—	1.83
	British Government Index-Linked Stocks					
8	All stocks	111.60	−1.73	113.56	—	0.78

	AVERAGE GROSS REDEMPTION YIELDS		Wed March 20	Tues March 19	Year ago (approx.)
	British Government				
1	Low	5 years	10.86	10.82	9.92
2	Coupons	15 years	10.69	10.72	10.06
3		25 years	10.24	10.29	9.68
4	Medium	5 years	11.78	11.77	10.56
5	Coupons	15 years	11.09	11.15	10.55
6		25 years	10.54	10.61	10.01
7	High	5 years	11.87	11.89	10.69
8	Coupons	15 years	11.28	11.96	10.67
9		25 years	10.67	10.73	10.16
10	Irredeemables†		10.15	10.19	9.65
11	Debs &	5 years	12.06	12.10	11.21
12	Loans	15 years	11.83	11.80	11.37
13		25 years	11.66	11.76	11.41
14	Preference†		12.71	12.75	12.59
	British Government Index-Linked Stocks				
15	Inflation rate	5%	3.25	3.11	3.46
16		10%	3.07	2.95	3.27

†Flat yield. Highs and lows record, base dates, values and constituent changes are published in Saturday issues. A list of constituents is available from the Publishers, the Financial Times, Bracken House, Cannon Street, London, EC4P 4BY, price 15p, by post 28p.

EUROPEAN OPTIONS EXCHANGE

Series		May Vol.	May Last	Aug. Vol.	Aug. Last	Nov. Vol.	Nov. Last	Stock
GOLD C	$300	170	31	174	40 A	—	—	$320.50
GOLD C	$320	—	—	74	27 B	12	38	"
GOLD C	$325	384	11.50 B	[illegible]				"
[illegible]								

TOTAL VOLUME IN CONTRACTS: 29,523

A=Ask B=Bid C=Call P=Put

LONDON TRADED OPTIONS

Option		Calls Apr.	Calls Jly.	Calls Oct.	Puts Apr.	Puts Jly.	Puts Oct.
B.P. (*535)	460	100	113	125	1½	8	9
	500	50	78	90	4	11	17
	550	85	40	65	18	33	38
	600	7	25	35	65	60	68
Cons. Gold (*509)	460	57	77	84	5	8	10
[illegible]							

Option		Calls May	Calls Aug.	Calls Nov.	Puts May	Puts Aug.	Puts Nov.
Imperial Gp. (*188)	160	37	43	—	2	5	—
	180	22	28	03	0	2	12
	200	10	18	24	15	88	80
	280	3½	2	10	34	32	43
LASMO (*338)	[illegible]						
[illegible]							

Mar. 20. Total contracts 10,163 Calls 7,191. Puts 3,002. * Underlying security price.

LONDON SHARE SERVICE

BRITISH FUNDS

"Shorts" (Lives up to Five Years)

1984-85 High	Low	Stock	Price £	+ or −	Yield Int.	Red.
98¾	93	Treas 3pc 1985	98¼	+	3.05	13.75
102⅝	99	Treas 11½pc 1985	99½	−	11.56	13.02
99¼	96	Treas 8¼pcCnv '85	98	+	8.90	12.54
104	99	Exch. 12¼pc 1985	99	+	12.26	12.25
103	99	Exch. 11¼pc '86	99	....	11.77	11.93
102	96	Treas. 10pcCnv 1986	98	....	10.18	11.91
94	88¼	Treas 3pc 1986	93¼	....	3.20	8.76
102	96¼	Exch. 10½pc Cv '86	98	+	10.67	11.95
104	99	Treas 12pc 1986	99	+	12.01	13.99
98¼	93½	Treas 8½pc 1984-86‡‡	96¼	+	8.83	11.66
108	102	Exch. 14pc 1986	102	−	13.60	13.89
89¾	85	Exch. 2½pc 1986	89¾	+	2.80	9.60
107	100	Exch. 13½pc 1987	102	−	12.95	11.77
100¾	94½	Treas 10¼pcCv '87	97	−	10.52	11.77
87¾	83¼	Exch 2½pc 1987	87¾	−	2.85	9.67
101	94½	Exch. 10½pc 1987	97	−	10.73	11.75
92¼	87	Funding 6½pc '85-87‡‡	91¼	+	7.12	11.26
99¾	92¾	Treas. 10pc 1987	96	....	10.36	11.77
86¾	81	Treas 3pc 1987	86¾	....	3.47	9.64
105	97¼	Treas. 12pc 1987	100	−	11.96	11.83
94¾	87	Treas 7¾pc 1985-88‡‡	91¾	−	8.45	11.19
100¾	92	Exch 10½pc '88	96⅝	−	10.87	11.81
98	89	Treas 9¾pc Cv '88	94½	−	10.32	11.82
83½	77	Transport 3pc '78-88	83¼	....	3.61	9.06
96	88	Treas. 9½pc '88	93	−	10.18	11.85
106¾	94	Treas 11½pc 1989	99	−	11.58	11.71
96	87	Treas 9½pc Cnv. '89	93¼	....	10.20	11.68
99¾	90	Treas 10¼pc 1989	95	−	10.97	11.81
100	88¾	Exch. 10pc 1989	94¼	−	10.62	11.76
101	94¼	Exch 11pc 1989	97	−	11.30	11.77
85¾	77½	Treas 5pc 1986-89	81¾	−	6.12	10.09
114¾	100¼	Treas 13pc 1990‡‡	105	−	12.38	11.60
97	96	Exch 11pc 1990‡‡	97	−	11.30	11.72

Five to Fifteen Years

1984-85 High	Low	Stock	Price £	+ or −	Yield Int.	Red.
110¾	100¼	Exch. 12½pc 1990	103	+⅛	12.13	11.68
94¼	84¾	Treas 8¼pc 1987-90‡‡	91⅝	...	9.22	10.94
98	90¾	Treas. 10pcCv 1990	92	+¼	10.76	11.77
108¼	94¼	Treas 11¾pc 1991	102	+¼	11.78	11.79
84¼	75¾	Funding 5¾pc '87-91‡‡	81⅝	+¼	7.02	9.80
105¼	93¾	Exch. 11pc 1991	96	+¼	11.33	11.67
113¾	98¾	Treas 12¾pc 1992‡‡	107¼	+¼	12.13	11.63
100¾	86	Treas 10pc 1992	93¼	+¼	10.75	11.49
101	94	Treas 10½pc Cv 1992‡‡	100¼	+¼	11.08	11.57
111¼	95¼	Exch. 12¼pc '92	103½	+⅜	11.93	11.70
117½	104⅝	Exch 13½pc 1992	108½	+⅜	12.48	11.82
113¾	98¼	Treas 12½pc 1993‡‡	106	+⅜	11.90	11.66
79¼	71¼	Funding 6pc 1993‡‡	77¼	+⅛	7.73	9.96
121¼	106¼	Treas 13¾pc 1993‡‡	115	+⅜	12.42	11.74
126¾	108¼	Treas 14½pc 1994‡‡	116	+½	12.56	11.66
120¾	106	Exch 13½pc 1994	114½	+½	12.37	11.83
114¼	96¼	Exch. 12½pc 1994	105	+¼	11.97	11.71
94½	82¾	Treas 9pc 1994‡‡	90¼	....	10.26	11.10
110¼	94¾	Treas 12pc 1995	103	+¼	11.79	11.67
68	58¼	Gas 3pc '90-95	68	+¼	4.49	7.80
100¼	86	Exch. 10¼pc 1995	94¼	+¼	11.07	11.49
117¾	102⅞	Treas 12¾pc 1995‡‡	111	+¼	11.92	11.58
124¼	106¾	Treas. 14pc '96	115½	+½	12.36	11.79
94¾	83½	Treas 9pc 1992-96‡‡	87	+½	10.36	11.10
134¾	118¾	Treas 15¼pc 1996‡‡	127½	+¾	12.53	13.77
122¼	106½	Exch 13¼pc 1996‡‡	115	+⅜	11.93	11.46
73¾	63¼	Redemption 3pc 1986-96	73⅜	+½	4.08	6.26
121½	104½	Treas 13¼pc 1997‡‡	113¼	+½	11.92	11.49
104½	87¾	Exch 10½pc 1997	95	+¼	11.10	11.34
92½	77½	Treas 8¾pc 1997‡‡	84¾	....	10.37	11.08
134¾	118¼	Exch. 15pc 1997	127¼	+1	12.37	11.71
98	84½	Exch. 9¾pc 1998	92	....	10.79	11.17
94	88	Exch. 9¾pc 1998 'A'	92⅝	....	10.79	11.17
78	68	Treas 6¾pc 1995-98‡‡	75¼	+¼	9.29	10.67
138¾	122¾	Treas. 15½pc '98‡‡	126	+1	12.26	11.58
115	100¼	Exch. 12pc 1998	108¼	+¼	11.45	11.29
97¼	83¾	Treas 9½pc 1999‡‡	92¼	+¼	10.59	10.96
116¼	103⅝	Exch. 12¼pc 1999	106¾	+¼	11.46	11.26
104½	91	Treas. 10½pc 1999	99	+¼	11.00	11.14
102	89¾	Conversion 10¼pc 1999	97¼	+¼	10.93	11.11

Over Fifteen Years

[illegible]

Undated

[illegible]

Index-Linked

[illegible]

INT. BANK AND O'SEAS GOVT STERLING ISSUES

[illegible]

CORPORATION LOANS

[illegible]

COMMONWEALTH & AFRICAN LOANS

[illegible]

LOANS

Building Societies

[illegible]

Public Board and Ind.

[illegible]

Financial

[illegible]

FOREIGN BONDS & RAILS

[illegible]

AMERICANS

[illegible]

AMERICANS—Cont.

[illegible]

CANADIANS

[illegible]

BANKS, HP & LEASING

[illegible]

Hire Purchase, Leasing, etc.

[illegible]

BEERS, WINES & SPIRITS

[illegible]

BEERS, WINES—Cont.

[illegible]

BUILDING, TIMBER, ROADS

[illegible]

CHEMICALS, PLASTICS

[illegible]

DRAPERY AND STORES

[illegible]

DRAPERY & STORES—Cont.

[illegible]

ELECTRICALS

[illegible]

ENGINEERING

[illegible]

ENGINEERING—Continued

[illegible]

FOOD, GROCERIES, ETC

[illegible]

HOTELS AND CATERERS

[illegible]

HOTELS—Continued

[illegible]

INDUSTRIALS (Miscel.)

[illegible]

INDUSTRIALS—Continued

1984-85 High	Low	Stock	Price	+ or -	Div Net	C'vr	Y'ld Gr's	P/E
104	65	Marley	89xd	+1	3.15	2.2	6.0	10.0
86	40	Marling Ind 10p	86	+1	†0.30	5.6	2.2	10.1
46	29	Marshall L'ry 'A'	41		12.2	3.6	4.2	7.3
77	37	Marshall's Universal	69					
89	77	Do 7½pc Cnv Pf £1	82		2.0	◆	4.2	◆
30	20	Martin-Black	22p		7½%		13.1	—
£108	£81	Matthews 7¼%	£94				—	
435	287	Metal Box £1	428	-7	Q7¾%	2.1	8.4	—
220	129	Metal Closures	164	+1	†15.0	3.2	5.0	6.9
27	9	Metal Sciences 20p	£1		6.3	2.3	5.5	(9.1)
133	13	Midland Marts	90		—	—	—	—
84½	45	Mitchell Cotts	72	-2	4.0	1.8	6.3	11.4
218	132	Morgan Crucible	218		4.0	1.5	8.2	9.9
36	22	Morris (W.F.) A 20p	26½	-1	1.75	1.2	4.9	(20.0)
110	80	Moss (Robt.) 10p	100	-1	q0.5	◆	2.7	◆
330	197	NMW Computers	300	-7	♦12.5	2.5	3.6	14.5
65	35	Nash Inds.	37		6.0	3.0	2.9	16.7
48	30	Neill & Spencer 10p	38		2.5	1.5	9.7	8.5
33	13	Newman Industries	22		—	—	—	11.4
31	16½	Do 10pc Cm Cnv.Pf	27		—	—	—	17.8
67	39	Nolton	55		10%	—	5.3	—
183	132	Norcros	166	+3	q1.1	4.5	2.9	9.2
86	53	Nu-Swift 5p	56	+1	12.5	2.4	6.5	8.8
100	50	Oakwood Grp	93		12.4	3.2	6.1	7.3
190	135	Office & Elect	165		♦4.5	1.4	6.9	13.7
108	88	Oldacre 20p	88		7.5	4.2	6.5	7.6
925	625	Orlilame Int SA	925		c40.0	2.5	6.5	7.8
46	15	Overstone 12½p	16		46.01	◆	7.5	◆
£175	£120	Ozalid 9pc Cm 87-92	£175		Q04.5c	2.2	3	3.7
190	105	PCT Grp 10p	130	+10	Q9%	—	15.2	—
£14	975	PLM 'B' Sk 25	£13½		q4.8	2.9	5.1	7.9
195	149	PSM Intl	170		Q216%	◆	4.1	◆

LEISURE—Continued

1984-85 High	Low	Stock	Price	+ or -	Div Net	C'vr	Y'ld Gr's
288	182	LWT	248	+3	14.4	2.3	8.3
75	42	Leisuretime Int 10p	62		2.1	◆	4.9
160	98	Mount Ag M 10p	160	+10	F7.5	1.7	7.0
194	118	Media Tech Int 20p	157		ag2.58	3.9	2.3
200	76	Medminster 10p	198xd		†4.65	2.6	3.5
240	138	Mtv. World 10p	230		3.6	4.1	2.1
26	15	Nationwide Leis.	24½xd		0.5	◆	2.9
46	9	Nimslo Int 10c	26		—	—	—
31½	14½	Owners Abroad	28½		0.75	6.1	5.2
66	31	Photax (Lon.)	42		—	—	—
29½	20	P'dilly Radio NV 5p	23		1.87	◆	11.6
130	55	Pineapple Dnc Sc 10p	68	-2	41.5	1.2	1.2
449	285	Pleasurama 5p	448	+23	q9.2	◆	3.0
86½	75	Pres Entertain 50p	86½		bq2.0	2.0	3.3
158	28	Radio City 'A' NV	28	-2	5.6	0.9	28.6
70	45	Radio Clyde NV	45		3.25	2.0	10.3
148	30	Riley Leisure 10p	50	-2	‡4.2	2.4	‡
193	94	Saga Hols. 20p	193xd	+6	4.0	◆	3.0
£10½	111	Samuelson Grp £1	940	+5	†9.0	3.6	1.4
39	18	Sangers Photo 10p	38	-1	b2.0	1.1	7.5
190	138	Scanro 10p	190	+3	bq3.68	2.2	2.8
190	98	Scott. TV 'A' 10p	155		†8.1	2.9	7.5
570	186	SeaCo Inc 50 125	415	-3	—	—	—
35	9	Select TV 10p	13		—	—	—
145	107	Spectrum 5p	107	-3	q7.0	4.8	2.7
31	24	TSW 5p	29		1.5	2.6	7.4
157	79	TVS N/Vtg 10p	133		6.0	2.2	5.4
222	102½	Television Secs 50p	210	-2	d1.5	4.2	1.0
90	60	Tottenham Hotspur	74	+1	†q2.5	1.6	7.7
260	120	Trid'nt TV 'A' 10p	253	+8	♦7.5	1.8	4.2
173	100	21st Century Org	160				

MOTORS, AIRCRAFT TRADES

Motors and Cycles

Commercial Vehicles

Components

Garages and Distributors

NEWSPAPERS, PUBLISHERS

PAPER, PRINTING, ADVERTISING

INSURANCES

LEISURE

PROPERTY

PROPERTY—Continued

SHIPPING

SHOES AND LEATHER

SOUTH AFRICANS

TEXTILES

TOBACCOS

TRUSTS, FINANCE, LAND

Investment Trusts

INVESTMENT TRUSTS—Cont.

Finance, Land, etc.

OIL AND GAS

OVERSEAS TRADERS

PLANTATIONS

Rubbers, Palm Oil

Teas

MINES

Central Rand

Eastern Rand

Far West Rand

O.F.S.

Diamond and Platinum

Central African

MINES—Continued

Finance

Australians

Tins

Miscellaneous

1984-85 High	Low	Stock	Price	+ or -	Div Net	C'vr	Y'ld Gr's
75	31	Anglo Utd. Dev.	44	-2	—	—	—
410	155	Centenenial Min'ls.	210		—	—	—
115	70	Colby Res Corp.	95		—	—	—
955	450	Cons. Murch. 10c	450		†Q100c	1.4	10.8
40	25	Ennex Int. Ir10p	36		—	—	—
252	150	Hampton Areas 10p	202	+5	3.75	2.1	2.5
260	140	Highwood Res.	220	-5	—	—	—
£24½	£16	Homestake Mining $1	£22½	+¼	Q20c	—	0.8
295	135	McFinley Red Lake	255	-5	—	—	—
265	101	Mustn Explorations	260	-5	—	—	—
55	23	New Sabina Res C$1	35		—	—	—
365	220	Northgate C$1	330	+25	—	—	—
718	500	RTZ	665	+5	†18.0	2.7	3.9
£155½	£113½	Do. 9¼pcLn '95-2000	£145½	+2	Q9¼%	35.4	6.6
£13⅛	850	Tara Explo $1	£11⅛	-⅛	—	—	—

NOTES

Unless otherwise indicated, prices and net dividends are in pence and denominations are 25p. Estimated price/earnings ratios and covers are based on latest annual reports and accounts and, where possible, are updated on half-yearly figures. P/Es are calculated on "net" distribution basis, earnings per share being computed on profit after taxation and unrelieved ACT where applicable; bracketed figures indicate 10 per cent or more difference if calculated on "nil" distribution. Covers are based on "maximum" distribution; this compares gross dividend costs to profit after taxation, excluding exceptional profits/losses but including estimated extent of offsettable ACT. Yields are based on middle prices, are gross, adjusted to ACT of 30 per cent and allow for value of declared distribution and rights.

- ● "Tap Stock".
- * Highs and Lows marked thus have been adjusted to allow for rights issues for cash.
- † Interim since increased or resumed.
- ‡ Interim since reduced, passed or deferred.
- ‡‡ Tax-free to non-residents on application.
- ◆ Figures or report awaited.
- ● Not officially UK listed; dealings permitted under Rule 535(4)(a).
- ✤ USM; not listed on Stock Exchange and company not subjected to same degree of regulation as listed securities.
- †† Dealt in under Rule 535(3).
- # Price at time of suspension.
- ¶ Indicated dividend after pending scrip and/or rights issue; cover relates to previous dividend or forecast.
- ♦ Merger bid or reorganisation in progress.
- ‡ Not comparable.
- ♠ Same interim: reduced final and/or reduced earnings indicated.
- ♦ Forecast dividend; cover on earnings updated by latest interim statement.
- 1 Cover allows for conversion of shares not now ranking for dividends or ranking only for restricted dividend.
- ★ Cover does not allow for shares which may also rank for dividend at a future date. No P/E ratio usually provided.
- k No par value.

B.Fr. Belgian Francs. Fr. French Francs. ✤✤ Yield based on assumption Treasury Bill Rate stays unchanged until maturity of stock. a Tax free. b Figures based on prospectus or other offer estimate. c Cents. d Dividend rate paid or payable on part of capital, cover based on dividend on full capital. e Redemption yield. f Flat yield. g Assumed dividend and yield. h Assumed dividend and yield after scrip issue. j Payment from capital sources. k Kenya. m Interim higher than previous total. n Rights issue pending. q Earnings based on preliminary figures. s Dividend and yield exclude a special payment. t Indicated dividend, cover relates to previous dividend, P/E ratio based on latest annual earnings. u Forecast dividend; cover based on previous year's earnings. v Subject to local tax. x Dividend cover in excess of 100 times. y Dividend and yield based on merger terms. z Dividend and yield include a special payment; Cover does not apply to special payment. A Net dividend and yield. B Preference dividend passed or deferred. C Canadian. E Tender price. F Dividend and yield based on prospectus or other official estimates for 1984-85. G Assumed dividend and yield after pending scrip and/or rights issue. H Dividend and yield based on prospectus or other official estimates for 1984. K Figures based on prospectus or official estimates for 1984. M Dividend and yield based on prospectus or other official estimates for 1985-86. N Dividend and yield based on prospectus or other official estimates for 1985. P Figures based on prospectus or other official estimates for 1983. Q Gross. T Figures assumed. Z Dividend total to date.

Abbreviations: xd ex dividend; xc ex scrip issue; xr ex rights; xa ex all; xd ex capital distribution.

REGIONAL & IRISH STOCKS

The following is a selection of Regional and Irish stocks, the latter being quoted in Irish currency.

Stock	Price	+ or -	Stock	Price	+ or -
Albany Inv 20p	90		Arnott	370	
Craig & Rose £1	£10		CPI Hldgs	57	
Finlay Pkg 5p	58		Carrol Inds.	111	
Higsons Brew	118		Dublin Gas	60	
Holt (Jos) 25p	800		Hall (R. & H.)	45	
IoM Sm. £1	135	+3	Heiton Hldgs.	16½	
IRISH			Irish Ropes	40	
Exch 12% 1985	£99½		Jacob (W & R.)	63	
Nat. 9¾% 84/89	£85⅝		TMG	115	
Fin. 13% 97/02	£93⅝		Unidare	84xd	

OPTIONS — 3-month call rates

Industrials	p				
Allied-Lyons	16	GKN	17	Turner Newall	10
BAT	32	Hanson Tst.	17½	Unilever	85
BOC Grp	25	Hawker Sidd	30	Vickers	20
BSR	16	Hse of Fraser	30	**Property**	
BTR	52	ICI	60	Brit Land	12
Babcock	14	'Imps'	18	Cap Counties	18
Barclays	48	Jaguar	28	Land Secs	25
Beecham	32	Ladbroke	24	MEPC	28
Blue Circle	45	Legal & Gen	50	Peachey	22
Boots	15	Lex Service	28	Samuel Props	14
Bowaters	20	Lloyds Bank	45	**Oils**	
Brit Aerospace	33	Lucas Inds.	25	Brit. Oil & Min	4
Brit Telecom	11	Marks & Spcr	11	Brit Petroleum	42
Brown (J.)	3	Midland Bk	30	Burmah Oil	10
Burton Ord	39	NEI	6	Charterhall	6
Cadburys	14	Nat West Bk	60	Premier	5
Comm Union	39	P & O Dfd	36	Shell	60
Courtaulds	12½	Plessey	17	Tricentrol	18
Debenhams	17½	Polly Peck	26	Ultramar	19
Distillers	28	Racal Elect	18	**Mines**	
Dunlop	6	RHM	11	Charter Cons	18
FNFC	8½	Rank Org Ord.	32	Cons Gold	44
Gen Accident	45	Reed Intnl.	58	Lonrho	14
Gen Electric	12	Sears	8	Rio T Zinc	56
Glaxo	85	TI	20		
Grand Met	25	Tesco	20		
GUS 'A'	60	Thorn EMI	35		
Guardian	60	Trust Houses	£1		

A selection of Options traded is given on the London Stock Exchange Report page.

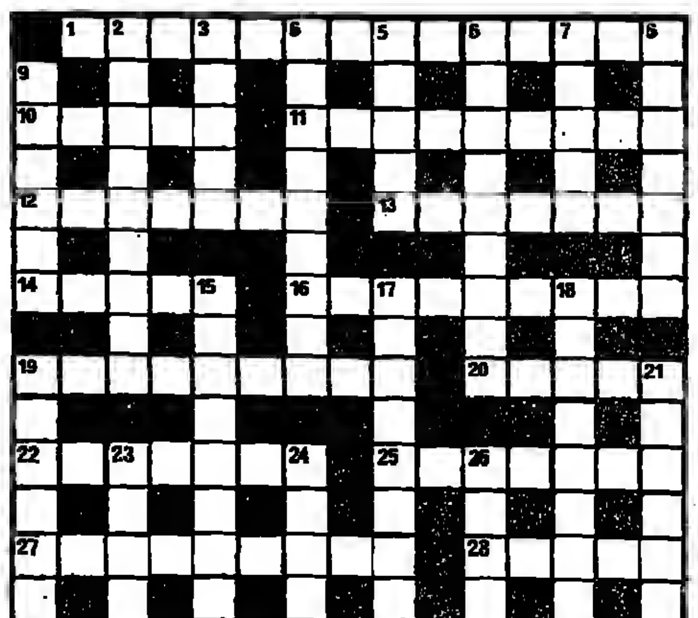
"Recent Issues" and "Rights" Page 43

FT UNIT TRUST INFORMATION SERVICE

AUTHORISED UNIT TRUSTS

INSURANCES

F.T. CROSSWORD PUZZLE No. 5,674



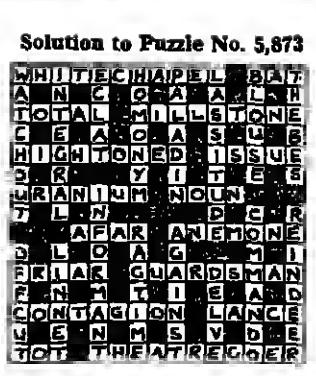
ACROSS

1 Adam's apple (9, 5)
10 Unqualified to make a statement (5)
11 Contemplate a large drink — or two! (3, 6)
12 It makes sense if it is used to win at cards (7)
13 Fields of activity he gets a mixed press about (7)
14 Not just any type of injury (5)
16 A good man known for giving first-aid (9)
19 A host has to put a word of thanks in (9)
20 Bound to pull together (5)
22 Stake that is added later (4-3)
25 Prohibited sort of beard (7)
27 Stores include fish for the stew (9)
28 How one comes to confess (5)
29 Something we all have in common (6, 8)

DOWN

2 Definitely not in duplicate (3, 3, 3)
3 Heats too much water? (5)
4 Pepys said it might be the result of unwise eating (9)
5 Yet quoted as odds (5)
6 To take in a famous author could be risky (9)
7 Not all the number may be burnt (5)
8 Thomas's initial motive for betrayal (7)
9 It may force people into early retirement (6)
15 U.S. soldier interrupted by a rude Italian union leader (9)
17 Main set of changes in a document (9)
18 Not a standing invitation (4, 1, 4)
19 Relaxed in the deep U.S.A. perhaps (5, 2)
21 She holds a watching brief when Don goes to court (6)
23 A short release from the army (5)
24 These kids will reach a hundred (3-2)
26 A fringe gathering of lacemakers (5)

Solution to Puzzle No. 5,673



INSURANCE, OVERSEAS & MONEY FUNDS

Save & Prosper Group
28, Western Rd, Romford RM1 3LB 0708-66966

Global Equity Fund	95.0	100.0	-0.5
Bal Inv 1d	301.2	318.8	+0.9
Property 1d	290.9	307.9	
Gilt 1d	235.4	248.2	+0.3
Deposit Fd C	198.1	209.7	
Man. Pens. Fd	65.6	69.5	-0.1
Equity Pens. Fd	67.9	71.9	+0.1
Prop Pens. Fd	56.5	59.8	
A. C. Bond Fund (z)	74.6	79.0	-0.9
Dep Pens Fd	51.4	54.4	
Gilt Pens Fd	52.5	55.6	+0.1
Global Eq Pens Fd	74.9	79.5	-0.4

†Weekly dealings

Schroder Life Assurance Ltd.
Enterprise House, Portsmouth 0705 827733

Equity	590.1	621.1	-4.2
Fixed Interest	251.9	211.8	+1.0
Managed	310.6	326.9	-1.7
Deposit	181.0	190.8	
Overseas	200.7	211.2	-3.4
Property	284.9	299.9	
American	203.2	213.8	-1.0
Australian	116.6	122.7	-1.6
European	193.7	203.8	-1.5
Gilt & Fixed Int	139.4	146.7	+0.9
Income Accum.	262.4	276.2	-0.9
Income Distrib	204.6	215.3	-0.8
International	195.5	205.7	-1.3
Japan Smaller Co's	116.6	122.7	-2.6
Singapore & Malay	142.6	150.1	-4.2
Smaller Co's	256.7	270.2	-7.1
Tokyo	321.4	338.3	-5.9
O.S. Equity	240.6	253.2	-1.2
CCM Uniband Mngd	264.1	278.0	-0.9
Equity Pension	352.6	371.1	-1.9
Fxd Int Pension	230.1	221.7	+1.0
Guaranteed Pens	118.7	124.9	
Index-Linked Pens	102.1	107.4	-2.2
Managed Pension	776.8	817.6	-4.4
Deposit Pension	116.2	122.3	+0.1
Overseas Pension	207.3	218.2	-4.4
Property Pension	252.5	265.7	
Special Er Pension	204.6	215.3	-5.1

Prices are for Life Series 4 Accum. Pension Series C Accum March 30

Scottish Amicable Investments

Target Life Assurance Co. Ltd.
Target House, Gatehouse Road, Aylesbury, Bucks
Aylesbury (0296) 5941

Managed	296.7	311.4	+1.4
Property	239.9	252.6	
Fixed Int	150.5	158.5	+0.6
UK Equity	314.1	330.7	+0.1
Int. Equity	234.3	248.7	+3.6
Deposit	141.1	148.9	
Managed Property	122.4	128.9	+1.5
American Eqty	111.6	111.5	+2.8
Technology	89.4	44.2	+3.3
U.S. Special Bond	128.6	135.4	+0.8
Pacific	110.6	116.5	+0.1
Australian	114.6	120.7	-0.3
Japan	166.1	174.9	+2.0
Malaysian & S pore	118.6	124.9	-1.0
Commodity	121.7	110.3	+2.0
Energy	81.4	87.6	
Gold	122.8	129.3	+4.7
Financial	145.0	151.5	+1.4
Income	158.2	166.6	+0.1
Special Situations	101.8	193.5	
Preference	108.1	114.0	+1.3
Managed Currency	78.9	83.1	-0.1
European			
Sterling	10.1	—	1.5
Pension Funds			
Managed Pension	845.2	889.7	+4.5
Gilt Pens	287.7	302.9	-1.9
Property Pens	111.1	150.9	-0.4
Equity Pens	356.1	375.1	+3.6
Index L Plan	112.4	118.4	-0.7
Guar Pens	213.1	224.4	+0.1
Executive Retirement	111.1	117.2	

Prices quoted are for Accumulation units

Transinternational Life Ins. Co. Ltd.
55-51, High Holborn WC1V 6DU 01-831 7481

Series 2 Man Fd	216.5	227.8
Series 2 Equity Fd	270.0	284.2
Series 2 Prop Fd	201.4	211.9
Series 2 Fixed Int Fd	187.2	197.0
Series 2 Money Fd	138.1	145.3
Series 2 O'seas Fd	191.6	201.7
Tulip Invest Fd	424.7	441.1
Tulip Managed Fd	298.0	311.4
Managed Unit Fd Inc	210.0	221.8
Managed Unit Fd Acc	245.6	258.5
Man Pen Fd Cap	334.5	352.1

OFFSHORE AND OVERSEAS

Money Market Trust Funds

Money Market Bank Accounts

Provincial Trust
30 Ashley Rd, Altrincham, Cheshire, WA1 2DW 061-928 9011

Cheque Acc	14.00	14.93	Mthl	Call

Save & Prosper/Robert Fleming
28 Western Rd, Romford RM1 5LB. 0708 66966

High Int Ch. Acc.	13.36	14.30	Daily	Call
Premier Acc.	13.36	14.30	Daily	Call

Tyndall & Co
29-33 Princess Victoria St. Bristol BS8 4BX. 0272 732241

Demand Acc	13.88	14.61	Qtr	Call
Money Acc	13.75	14.47	Qtr	Chq/7

J. Henry Schroder Wagg & Co Ltd
Enterprise House, Portsmouth 0705 821733

Special Acc	13.75	14.65	Mthl	Call
Over £10 000	14.00	14.93	Mthl	Call

Notes. CAR = compounded annual rate. Int Cr = frequency interest credited

NOTES

Prices are in pence unless otherwise indicated and those designated $ with no prefix to U.S. dollars. Yields % (shown in last column) allow for all buying expenses. a Offered prices include all expenses. b Today's prices. c Yield based on offer price. d Estimated. g Today's opening price. h Distribution free of UK taxes. p Periodic premium insurance plans. s Single premium insurance. x Offered price includes all expenses except agent's commission. y Offered price includes all expenses if bought through managers. z Previous day's price. ¶ Guernsey gross. ■ Suspended. ♦ Yield before Jersey tax. † Ex-subdivision. ‡‡ Only available to charitable bodies. ● Yield column shows annualised rates of NAV increase.

COMMODITIES AND AGRICULTURE

Futures traders welcome tax treatment change

BY JOHN EDWARDS, COMMODITIES EDITOR

LONDON traders yesterday gave a warm welcome to the Chancellor's decision to change the tax treatment on profits made from futures dealings. Long used to being ignored by the Government and the Inland Revenue, there was jubilation that Mr Lawson had agreed that futures dealings would from April 6 be subject to capital gains tax instead of being treated as income and taxed under Schedule D, Case VI.

The change means that futures trading will now be treated for taxation purposes on a par with dealings in the stock markets. Until now they have suffered a disadvantage with futures profits being liable for the highest rate of income tax (60 per cent) and losses could not be offset against general income.

Mr Roger Butler, director of taxes for accountants Arthur Young, and chairman of the British Federation of Commodity Association's tax committee, said the change to a capital gains tax treatment was part one of a two-stage strategy. The next step, linked with plans to improve investor protection, would be to allow the establishment of authorised onshore futures funds.

Meanwhile, Mr Butler said the Budget change should provide a "substantial boost" for the UK futures markets. "Now it is up to the marketing boys," he added.

Mr Fox-Andrews, managing director of Drexel Burnham-Lambert, London, described the change as "a tonic for the troops." He said it demonstrated what could be achieved by a united front and hoped it would encourage the London exchanges to be more open and aggressive.

He thought the retail commission houses would benefit most from the change since they would now be able to compete on equal terms with other forms of investments.

Mr Christopher Sharples of GNI Intercommodities agreed that private investors were likely to benefit most since they had suffered most from the punitive tax treatment.

The main beneficiaries, however, could well be investors in UK based futures managed accounts or syndicates. Mr Peter Swete of Sabre Management said the change in taxation "opened the doors" for them to seek extra business. There was considerable pent-up interest from institutions in investing client funds in futures managed accounts that had been waiting for some kind of tax change to make dealings more profitable.

World wheat crop estimate raised

By Our Commodities Staff

THE INTERNATIONAL Wheat Council has raised its estimate of the 1984-85 world wheat crop to a record 520m tonnes from the 517m forecast a month ago and the 496m crop in 1983-84.

In its market report published yesterday, it said the higher figure reflected the improved outlook for the Chinese crop, which it now puts at 88m tonnes.

The council also raised its estimate of 1984-85 world coarse grain production by 1m tonnes to 796m tonnes against 692m in 1983-84.

Another large world wheat crop is in prospect assuming the weather remains favourable, the report added.

● U.S. CRUDE oil stocks rose last week for the fifth consecutive week to reach 332.3m barrels, almost 7m barrels ahead of this time last year, according to the American Petroleum Institute, writes Nancy Dunne in Washington.

Distillate fuel oil stocks plunged by almost 6m barrels to 112.2m barrels, well behind the 120m barrels on hand at the same time last year.

Residual fuel oil stocks stood at 47.3m barrels, down 1.2m barrels from the previous week and 1.8m below the previous year.

Crude imports, at 2.5m barrels, continued to fall behind last year as they have every week since early January.

● THE CHICAGO Mercantile Exchange (CME) launched options on three-month eurodollar futures yesterday, the fifth in a series of financial options to open trading recently, writes Nancy Dunne. Eurodollar futures, one of the exchange's fastest growing contracts, achieved a volume of more than 700,000 trades in February, a 468 per cent increase over February 1984.

In the first hour yesterday the new option traded 440 contract leading leaders to speculate that it might break the exchange's 5,000 contracts record for a single day's trading.

Andrew Gowers on hopes emerging from the failed Geneva talks

Ivory Coast lightens cocoa pact gloom

THE CLOUD which hung over the latest inconclusive round of cocoa talks in Geneva appears to be revealing something of a silver lining.

When they fizzled out in the early hours of Saturday morning, the talks had already been dismissed by some leading participants on the consumer side as another dismal failure, the third unsuccessful bid to negotiate a successor to the International Cocoa Agreement, which is due to expire in September.

"The real problem is that producers and consumers have a completely different perception of what we're trying to achieve," said one delegate from a key European country this week.

In effect, this means that Third World producing countries are calling for some form of price support under the agreement, while developed consuming countries — in line with the general hardening of Western attitudes to commodity agreements in recent years — are insisting that it should merely stabilise prices within a framework corresponding to market realities.

Although this gulf of perception remains, a series of frantic toings and froings in the clinical corridors of the Palais des Nations on Friday may have sown the seeds of compromise.

If these bear fruit, it could presage a fundamental change in the world cocoa market.

The present ICCA—the third of its kind, negotiated in 1980, — has never succeeded in bolstering prices to within the required target range of 106 to 146 cents a pound. And since the buffer stock, set up under the agreement to support prices by buying cocoa, ran out of money nearly three years ago after spending more than $225m (£196m), prices have been left to the mercy of market forces.

Although prices are relatively buoyant at present because of crop shortfalls, they are likely to come under increasing downward pressure in the next few years as surplus supplies build up.

The key player is the Ivory Coast, the world's largest cocoa producer which until recently had taken the hardest line on prices.

Abidjan's refusal to join the existing ICCA on the grounds that its price support range was too low was one reason for its failure.

M Denis Bra Kanon, the Ivorian Agriculture Minister, signalled what appeared to be a significant change of heart when he reappeared at the cocoa conference last Thursday.

Officially the producers are calling for prices to be supported at between 105 and 135 cents a pound, while the consumers—led by the European Community, as the U.S., the world's biggest consumer, has refused to join— have tabled what they describe as a "final" offer based on prices between 90 and 120 cents.

Although nothing has been set down on paper and consuming countries remain sceptical there are suggestions that the Ivorians may be prepared to consider a reference price of 108 cents or less, very close to the EEC's proposal of 105 cents.

That does not mean that such a plan is about to be tabled by the producers, some of whom, notably Brazil, have taken almost as hard a line on price as the Ivory Coast.

M Bra Kanon's suggestions came too late to save the Geneva conference. But they may prove a useful starting point for consultations leading to another set of formal talks towards the end of this year or early next, allowing time for formal ratification by the final deadline for a new agreement of September 1986. Although it runs out this September the current pact can be extended for another year.

Politically, M Bra Kanon knows that without the Ivory Coast there can be no new International Cocoa Agreement. The other West African producers, Ghana and Nigeria, tired of carrying the ICCA without the help of the largest exporter, have told Abidjan that they will not join if it does not.

To consumers, the need for a new agreement is much less pressing. The U.S., which consumes about a quarter of the world's cocoa, has made it clear that it thinks the ICCA is a waste of time.

Hardliners within the EEC too, notably the UK and West Germany, would not shed many tears if there were no deal.

"Many consumers are saying now that they're not prepared to have an agreement for the sake of it," said one experienced cocoa trader. "It has to be a good one."

Chocolate manufacturers and cocoa traders in Europe have long frowned on such interference with the market. They say the follies of the ICCA became glaring last year, when manufacturers suffered considerable shortages of cocoa while the 100,000 tonnes in the buffer stock could not be touched.

The Europeans are anxious, however, not to be seen to scupper the negotiations. If the producers come up with a "realistic" proposal in European eyes it is unlikely to be rejected.

For the moment the EEC insists that its "final" price offer is part of a package of measures which the producers must accept in total.

This includes a plan for producers to withhold cocoa from the market if surplus supplies appear to be overwhelming the buffer stock, agreed in principle by all sides, and a controversial proposal for annual adjustments to the ICCA price range, a sticking-point.

As Mr Rene Montes of Guatemala, the conference chairman, proceeds with his consultations ahead of any resumption of negotiations, all sides are aware that this package and the signs of producer compromise could easily fall apart.

The most immediate question is whether the existing agreement will be rolled over for a year pending another pact. The ICCA's governing council must decide whether to do so, and on what terms, at its two-week meeting from July 8.

Gold price surge falters

BY RICHARD MOONEY

THE GOLD price fluctuated widely on the London bullion market yesterday as trading continued to be dominated by the varying fortunes of the dollar.

After opening strong the price moved up to a peak of $347.50 a troy ounce reflecting a further weakening of the U.S. currency and rumours that one of the market's members was facing financial problems.

As the dollar firmed again the price slid back, touching a low of $320.50 before ending the day $4.50 higher at $322.50 an ounce.

Gold's price surge had its roots in the U.S. market where traders felt the metal was ready for a sizeable upturn after becoming heavily oversold. The dollar's sudden decline and the Ohio banking crisis seem to have been taken as signals that the time had come to buy gold.

A mirror image of the gold market pattern was seen in most base metals trade on the London Metal Exchange yesterday.

The three months delivery position for high grade copper sank to a low of £1,227 a tonne soon after the opening as trade selling from Japan and Europe fuelled the currency-inspired decline. But as the dollar strengthened against sterling a large part of the decline was regained and the LME three months price ended £11 down on the day at £1,238.75 a tonne. Cash high grade copper finished at £1,218.50 a tonne, down £10.50.

The only base metal market to defy the general trend was lead, where the cash and three months' quotations both closed £1 higher, at £304.50 a tonne and £313.75 a tonne respectively. Dealers said support at this level proved sufficient to absorb quite heavy currency-inspired selling.

In New York Asarco announced it had increased its base spot sales price for refined lead by 1 cent to 18 cents a lb with immediate effect.

Farm technology warning

By Nancy Dunne in Washington

New technology is accelerating the U.S. away from the traditional family farm and towards large industrialised production units, according to a report by the Congressional Office of Technology Assessment.

In a report to Congress for the 1985 Farm Bill now being discussed, the OTA said the scientific advances could keep American farmers competitive, but the innovations were costly and complex.

Farmers who lacked the capital or expertise to adopt new technology early enough to maintain a competitive edge would have to seek supplementary off-farm income, find a special niche for their products, or abandon farming altogether.

If a decision is made by Congress to slow the decline of the moderate-sized farm, the report said, policymakers "must provide ways for making new technologies more available to these farms and providing training in the use of these technologies."

Poor weather reduces EEC winter wheat sowings

BY ANDREW GOWERS

THE AREA planted to winter wheat in the European Community has fallen by 2.2 per cent this season, but plantings of oilseed rape are estimated to have risen by 6.9 per cent, according to preliminary figures assembled by Britain's Home-Grown Cereals Authority.

Winter barley sowings are also believed to be down, by about 3.2 per cent from last season.

The fall in winter wheat sowings, which account for the vast bulk of the EEC crop, apparently reflects poor planting weather in the autumn.

HGCA officials cautioned yesterday against interpreting the estimates as likely to lead to a marked fall in production from last year's record 150m-tonne harvest. Spring plantings could be rising.

"The main thing is not the planting area but the yields, and yields are on a generally rising trend," said a senior HGCA economist. "I believe there is a tendency to consider last year's crop as a lot more exceptional than it was."

Winter wheat plantings are estimated to have fallen by 1.2 per cent in France, the largest EEC producer, and by 0.8 per cent in the UK. In West Germany plantings are said to have risen by 0.9 per cent.

The officials said much of the land taken out of winter wheat production may now be devoted to spring barley.

Meanwhile, grain prices have continued to increase in the UK and other EEC countries, reflecting fears of a possible tightening of domestic supplies towards the end of the season.

LONDON MARKETS

THE LONDON cocoa futures market was buoyant yesterday morning with the May position reaching £2,153 a tonne at one stage. By the close profit-taking had trimmed this to £2,127.50 a tonne, £10 up on the day.

Dealers said the early strength reflected the New York market's firm tone and continued concern about tightness of physical supplies in Europe.

Unlike cocoa the coffee futures market's tone was dictated by currency factors and in spite of scattered roaster buying interest the May delivery position finished £24 down on the day at £2,309.50 a tonne.

MAIN PRICE CHANGES

In tonnes unless otherwise stated

METALS	Mar. 20 1985	+ or —	Month ago
Aluminium	£1100	....	£1100
Free Mkt	$1150/160	+10	$1175/1195
Copper			
Cash h Grade	£1218.5	—10.5	£1288.5
3 mths	£1238.75	—11	£1310.25
Gold troy oz	$322.5	+4.5	$302.75
Lead Cash	£304.5	+1	£338.75
3 mths	£313.75	+1	£347.75
Nickel			
Free Mkt	257/267c	+3	225/255c
Palladium oz	$112.75	—9	$127.00
Platinum oz	$271	+0.75	$274.00
Quicksilver†	$285/295	....	$295/305
Silver troy oz	565.10p	+34.85	570.05p
3 mths	583.00p	+36.40	588.40p
Tin cash	£9,886	—95.5	£10,035
3 mths	£9,912.5	—90	£10,052.5
Tungsten	$76.70	+0.05	$76.68
Wolfram 22 04lb	$75/78	....	$73/77
Zinc	£775	—14	£835.5
3 mths	£762.75	—16.75	£798.25
Producers	$900-940	....	$900

OILS	Mar. 20 1985	+ or —	Month ago
Coconut (Phil)	$875y	—5	$820
Palm Malayan	$630y	+5	$610
SEEDS			
Copra Phil	$500w	—25	$500
Soyabean (U.S.)	$253.25x	+3.5	$242.5
GRAINS			
Barley Fut. May	£117.05	+0.40	£115.55
Maize	£161.00	....	£148.75
Wheat Fut. May	£120.00	+0.85	£116.25
No. 2 Hard Wint.	‡	—	‡
OTHERS			
Cocoa Ft. May	£2127.5	+10	£2178.5
Coffee Ft. May	£2309.5	—24	£2382
Cotton A Index	67.05c	+0.35	68.35c
Gas Oil April	$228.95	+2.25	$239.75
Rubber (kilo)	67p	....	66p
Sugar (raw)	$113y	+2.5	$112.5
Wooltops 64s	522pkilo	....	520pkilo

‡ Unquoted. w April-May. x April. y May. v March-April. † Per 76 lb flask. c Cents a pound.

INDICES

FINANCIAL TIMES

Mar. 19	Mar. 18	M'th ago	Year ago
301.61	300.64	296.87	303.37

(Base: July 1 1952 = 100)

REUTERS

Mar. 20	Mar. 19	M'th ago	Year ago
1991.0	1998.4	2014.9	1991.6

(Base: September 18 1931 = 100)

MOODY'S

Mar. 19	Mar. 15	M'th ago	Year ago
947.3	949.5	—	—

(Base: December 31 1931 = 100)

DOW JONES

Dow Jones	Mar. 19	Mar. 18	Month ago	Year ago
Spot	124.05	117.01	—	—
Fut.	120.00	121.16	—	—

(Base: December 31 1974 = 100)

COPPER

COPPER	a.m. Official	+ or —	p.m. Unofficial	+ or —†
High Grde	£	£	£	£
Cash	1218.5-9	—.75	1218-9	—10.5
3 months	1238.5-40	—.75	1238.5-9	—11
Settlem't	1210	—1	—	—
Cathodes				
Cash	1206-8	+1	1224-8	—11
3 months	1242.5	—1.5	1240.5	—12.5
Settlem't	1228	+1	—	—

Amalgamated Metal Trading reported that in the morning cash higher grade traded at £1,220, 19.5, 19, three months £1,236, 37, 38, 38.5, 39, 38.5, 38, 42, 41, 40.5, 41, 40, 39.5, 40. Cathodes: Cash £1,228, three months £1,242. Kerb: Higher Grade, three months £1,241, 40, 41, 42, 41, 41.5. Afternoon: Higher Grade, three months £1,243, 42, 42.5, 42, 41.5, 41, 41.5, 43, 42, 41.5, 42, 43, 41, 40, 39.5, 39, 38.5. Kerb: Higher Grade, three months £1,238, 37, 36, 35. Turnover: 40,100 tonnes. U.S. Producers: 64-67.50 cents per pound.

TIN

TIN	a.m. Official	+ or —	p.m. Unofficial	+ or —†
High Grde	£	£	£	£
Cash	9860-70	—127.5	9890-900	—95.5
3 months	9885-900	—127.5	9095.55	—88
Settlem't	9870	—125	—	—
Standard				
Cash	9950-60	—157.5	9890-900	—95.5
3 months	9880-90	—110	9010-5	—90
Settlem't	9860	—155	—	—
Straits. E.	089.16		—	—

ALUMINIUM

Alumin'm	a.m. Official	+ or —	p.m. Unofficial	+ or —†
	£	£	£	£
Spot	956-7	—	946-7	—18
3 months	907.0	—1	079.0	—16

Aluminium—Morning: Three months £989, 88, 87, 86, 87, 87.5. Kerb: Three months £988, 9.5, 88, 97.5. Afternoon: Three months £983, 84, 83, 82, 80, 79, 78, 79, 80, 79, 78, 77, 76, 75, 74, 76, 77, 76, 78, 77, 78. Kerb: Three months £977, 78, 79, 78, 77, 77.5. Turnover: 22,150 tonnes.

GOLD

Gold was very volatile on the London bullion market yesterday, influenced by erratic movements in the dollar and rumours of problems involving another member of the London market. It opened very strong at $340-343, and touched a peak of $345-349. After a long morning fixing session gold was fixed at $333¾, but then continued to decline to $324 at the afternoon fixing. The lowest point touched was $310-322, and gold closed $4½ higher on the day at $321-324.

NICKEL

NICKEL	a.m. Official	+ or —	p.m. Unofficial	+ or —†
	£	£	£	£
Spot	4570-9	+27	4555-45	—55
3 months	4595-6	+27.5	4565-75	—28.5

Nickel—Morning: Three months £4,600, 10, £4,600, 4,595. Afternoon: Three months £4,600, £4,575, 70, 65, 70. Kerb: Three months £4,570, 65. Turnover: 1,518 tonnes.

COCOA

Futures opened steadier than expected, rising to £35 up, before easing back to close little changed. Physical interest was sparse and little activity was noted apart from nearby second-hand trade, reports Gill and Duffus.

COCOA	Yesterday's Close £ per tonne	+ or —	Business Done
March	2111-2113	+14.0	2130-2150
May	2127-2129	+10.0	2153-2118
July	2082-2083	—9.0	2106-2077
Sept.	2052-2054	—0.5	2074-2048
Dec.	1954-1955	+3.0	1965-1950
Mar.	1944-1948	+1.5	1952-1940
May	1944-1946	+7.0	1945

Sales: 4,733 (7,626) lots of 10 tonnes.

ICCO Indicator prices (U.S. cents per pound). Daily price for March 20: 105.50 (104.14); five-day average for March 21: 101.00 (98.48).

COFFEE

Further weakness was short-lived and a recovery by the dollar and improved physical market demand produced a steadier performance, reports Drexel Burnham Lambert. Despite heavy U.S. speculative selling, the market held as trade buyers became more confident.

GRAINS

Old crop wheat opened nervously about unchanged before rallying strongly in thin trading to close at the highs. New crops also improved a little in quiet trading, reports Muirpace.

Mnth	WHEAT Yesterd'ys close	+ or —	BARLEY Yesterdys close	+ or —
Mar.	117.50	+0.90	114.75	+0.40
May	120.00	+0.85	117.05	+0.40
July	123.65	+0.80	—	—
Sept.	98.50	+0.15	98.75	+0.20
Nov	101.65	+0.25	102.25	+0.15
Jan	105.35	+0.10	105.65	+0.05

Business done—Wheat: March 116.70 only, May 120.05-19.15, July 123.65-2.65, Sept 98.50-8.35, Nov 101.65-1.50, Jan 105.40-5.30. Sales: 275 lots of 100 tonnes. Barley: March 114.75 only, May 117.05-7.00, Sept 98.75-8.50, Nov 102.20-2.10, Jan untraded. Sales: 73 lots of 100 tonnes.

LONDON GRAINS—Wheat: U.S. dark northern spring No 1 14 per cent March 169.00, April/May 156.80, June 156.60, July 156.70 transhipment East coast. U.S. No 2 soft red winter April 156.75, May 154.75, July 143 transhipment East Coast. EC French July 119 cif free out south/west coast. English feed fob May 122.50 Sellers east coast. Maize: U.S. No 3 yellow/French transhipment east coast March 151. Barley: English feed fob April 119.50 east coast. Rest unquoted.

HGCA — Locational ex-farm spot prices. Feed barley: E. Mids 113.70, N. East 114.80, Scotland 111.00. The UK monetary coefficient for the week beginning Monday March 25 (based on HGCA calculations using 5 days' exchange rates) is expected to change to 1.010.

PIGMEAT

Prices eased weaker and drifted lower, triggering stop-loss selling, but steadied towards the close, reports CCST Commodities.

Month	Yesterdays close	Previous close	Business done
	p. per kilo (deadweight)		
April	108.80	110.10	109.30-108.20
June	105.80	109.00	107.70-106.30

OIL

Brent blend traded actively for May and June but early-dated crudes were largely neglected. Nymex opened 10.15 cents up but was only 5c higher at the end of morning trading. In the petroleum products market, gasoline and naphtha firmed in response to demand from the U.S. East Coast. Gas oil was also firmer. Heavy fuel weakened on lack of European demand for March—Petroleum Argus, London.

SPOT PRICES

	Latest	Change + or —
CRUDE OIL—FOB ($ per barrel)—April		
Arab Light	27.70-27.80	—
Arab Heavy	26.50-26.55	—
Dubai	27.10-27.20	—
Brent Blend	27.90-28.00	—0.025
W.T.I. (1pm est)	28.80-28.85	+0.075
Forcados (Nigeria)	28.00-28.20	—
Urals (cif NWE)	—	—
PRODUCTS—North West Europe Prompt delivery cif ($ per tonne)		
Premium gasoline	259-261	+4
Gas Oil	237-239	—1.5
Heavy fuel oil	155-157	—1.5

Petroleum Argus estimates

GAS OIL FUTURES

Month	Yest'day's Close $ U.S. per tonne	+ or —	Business Done
March	237.00	+1.75	237.25-36.75
April	228.95	+2.25	228.50-27.50
May	227.00	+2.50	228.25-26.25
June	224.20	+1.75	225.25-23.75
July	224.50	+2.25	224.75-24.25
Aug	225.25	+2.25	225.25-24.25
Sep	228.00	+2.75	—

Turnover: 2,067 (1,987) lots of 100 tonnes.

RUBBER

PHYSICALS — The London market opened slightly steadier, attracted good interest throughout the day, and closed on a steady note, reports Lewis and Peat. Closing prices (buyers): spot 67.00p (same); April 72.00p (72.25p); May 72.50p (73.00p). The Kuala Lumpur fob price for April RSS No 1 was 193.5 (189.0) cents a kg and for SMR was 192.5 (189.5).

SOYABEAN MEAL

After a tradeless day the market closed lower in line with stronger sterling.

U.S. MARKETS

WEAKER CURRENCIES have taken their toll on gold which opened lower to unchanged but recovered part of their losses later, reports Heinold Commodities. Copper came under heavy pressure from arbitrage selling against weaker sterling. Aluminium followed copper lower with more moderate losses. Heating oil recovered for moderate gains on a constructive stock report of industry distillate stocks and short-covering and profit-taking following the earlier sell-off. Sugar declined on producer selling which led to active commission house selling. Cotton was supported on the drawdown of deliverable stocks while deferred months yielded to the pressure of currency arbitrage. Cocoa moved moderately higher on continued concern about the adequacy of available supplies. Coffee advanced slightly on local support in very light trading. Grains and soyabeans were mixed with fundamental and technical trading conflicting. Soyabeans were under steady pressure and closed lower on local and professional selling following early computer fund buying.

NEW YORK

ALUMINIUM 40,000 lb, cents/lb

	Close	High	Low	Prev
March	49.00	—	—	49.45
April	49.10	—	—	49.65
May	49.50	49.75	49.15	50.05
July	50.35	50.25	50.00	50.90
Sept	51.20	—	—	51.75
Dec	52.45	—	—	53.00
Jan	52.85	—	—	53.40
March	53.70	—	—	54.25
May	54.50	—	—	55.05
July	55.30	—	—	55.85

COPPER 25,000 lb, cents/lb

	Close	High	Low	Prev
March	60.50	61.40	60.60	61.90
May	61.15	63.75	61.00	62.60
July	61.80	62.85	61.70	63.20
Sept	62.15	63.00	62.10	63.50
Dec	62.90	63.95	62.90	64.35
Jan	63.15	—	—	64.55
March	63.60	64.20	63.35	65.00
May	64.10	65.75	64.65	65.50
July	64.60	—	—	66.00

COTTON 50,000 lb, cents/lb

	Close	High	Low	Prev
May	67.38	67.95	66.95	67.44
July	66.45	66.50	65.90	66.46
Oct	65.49	65.45	65.20	65.55
Dec	65.58	65.80	65.26	65.56
March	66.78	66.75	66.60	65.53
May	67.23	—	—	66.93
July	67.45	—	—	67.50

CRUDE OIL (LIGHT) 42,000 U.S. gallons, $/barrels

	Latest	High	Low	Prev
April	28.95	29.03	28.88	—
May	28.03	28.43	28.03	28.10
June	27.44	27.83	27.44	27.66
July	27.19	27.53	27.16	27.30
August	27.22	27.38	27.10	27.10
Sept	27.21	27.30	27.10	28.90
Oct	27.10	—	—	27.10
Nov	27.06	27.10	27.05	27.10
Dec	26.90	27.00	26.80	27.20

GOLD 100 troy oz, $/troy oz

	Close	High	Low	Prev
March	323.0	333.5	320.0	339.0
April	324.3	336.0	320.0	328.8
May	326.7	332.0	332.0	331.0
June	329.1	340.5	324.0	333.2
August	334.2	344.6	330.0	338.0
Oct	339.3	345.5	334.0	343.0
Dec	346.1	357.0	341.0	348.9
Feb	350.9	358.0	348.0	354.3
April	356.8	368.0	354.5	360.1
June	363.1	371.0	359.0	366.4
August	369.5	370.0	365.0	372.5
Oct	376.1	380.0	372.5	379.4
Dec	382.6	384.0	380.0	386.0

HEATING OIL 42,000 U.S. gallons, cents/U.S. gallons

	Latest	High	Low	Prev
April	79.00	80.20	79.00	78.98
May	74.65	75.50	74.60	75.28
June	72.50	74.30	72.50	73.32
July	72.90	73.10	72.30	72.50
August	72.75	73.25	72.50	72.53
Sept	73.25	73.50	73.20	73.08

ORANGE JUICE 15,000 lb, cents/lb

	Close	High	Low	Prev
May	164.50	65.50	64.45	64.30
Sept.	165.55	66.00	65.00	65.05
Nov	164.05	—	—	63.50
Jan	163.50	—	—	62.95
March	164.50	—	—	63.10
May	164.60	—	—	64.05
July	164.60	—	—	64.05

PLATINUM 50 troy oz, $/troy oz

	Close	High	Low	Prev
March	271.0	277.0	271.0	292.0

SUGAR WORLD "11" 112,000 lb, cents/lb

	Close	High	Low	Prev
May	3.94	4.02	3.91	4.07
July	4.17	4.21	4.13	4.25
Sept	4.34	4.34	4.30	4.43
Oct	4.48	4.64	4.48	4.57
Jan	4.97	5.00	4.97	5.05
March	5.44	5.47	5.40	5.00
May	5.67	5.71	5.67	5.72
July	5.91	5.62	5.88	5.94

CHICAGO

LIVE CATTLE 40,000 lb, cents/lb

	Close	High	Low	Prev
April	62.00	62.35	61.72	62.42
June	65.30	65.65	65.05	65.60
August	65.27	65.40	64.90	66.30
Oct	63.27	63.30	63.00	63.32
Dec	64.47	64.50	64.02	64.40

SPOT PRICES—Chicago loose lard 25.00 (same) cents per pound. New York 528.0-48.0 (same) cents per pound. Handy and Harman silver bullion 636.0 (621.0) cents per troy ounce.

OTHER MARKETS

MEAT

SMITHFIELD—Pence per pound: Beef—Scotch killed sides 74.0 to 81.0; English hindquarters 92.0 to 99.0, forequarters 50.0 to 55.0. Veal—Dutch hinds and ends 124.0 to 127.0. Lamb—English small 88.0 to 92.0, medium 84.0 to 90.0, heavy 80.0 to 84.0; Scotch heavy 79.0 to 84.0; Imported: New Zealand PL (new season) 67.0 to 68.0, PX (new season) 66.0 to 66.0. Pork—English under 100 lb 49.5 to 59.0, 100-120 lb 52.5 to 55.0, 120-160 lb 41.0 to 46.0.

MEAT COMMISSION—Average fatstock prices at representative markets. GB—Cattle 93.44p per kg lw (−0.31). GB—Sheep 212.14p per kg est dcw (+15.90). GB—Pigs 78.96p per kg lw (+0.63). GB—AAPP 101.92p per kg dw (−0.12).

WOOL FUTURES

LONDON NEW ZEALAND CROSSBREDS—Close (in order: buyer, seller, business). New Zealand cents per kg. March 505 seller, nil; May 498, 500, 501-499; Aug 522, 523, 526-521; Oct 524, 526, 528-524; Dec 527, 530, 530-528; Jan 531, 534, 533-531; March 543, 546, 544-542; May 548, 551, 550-549; Aug 562, 565, 562. Sales: 285.

SYDNEY GREASY WOOL—Close (in order: buyer, seller, business). Australian cents per kg. March 590.0, 600.0, 590.0; May 620.0, 623.0, 625.0; July 620.0, 623.0, nil; Oct 603.0, 605.0, 606.0-605.0; Dec 613.0, 614.0, 615.0-611.0; March 618.0, 620.0, 620.0-619.0; May 624.0, 624.0, 624.0-622.0; July 625.0, 640.0, nil. Sales: 68.

HIDES

HIDES—Leeds. Second clears. Ox: 31-35.5 kg. 112.7p a kg (112.4p); 26-30.5 kg. 124.0p a kg (121.5p); 22-25.5 kg. 136.0p a kg (133.0p withdrawn). Cows: under 25.5 kg. 139.6p a kg (133.9p).

PARIS

SUGAR—(FFr per tonne): May 1331-1340, Aug 1394-1400, Oct 1433-1445, Dec 1500-1520, March 1591-1602, May 1640-1655.

COCOA—(FFr per 100 kg): March 2380-2398, May 2380-2385, July 2315 bid, Sept 2305-2320, Dec 2200-2215, March 2190 bid, May 2185 bid.

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CURRENCIES, MONEY and CAPITAL MARKETS

FOREIGN EXCHANGES

Dollar and sterling volatile

Trading was very volatile on the foreign exchanges yesterday. The dollar opened weak and quickly tumbled against all major currencies, except the Japanese yen. A slight easing of Euro-dollar rates contributed to the dollar's fall, but it was the problems of the Ohio savings banks, and speculation of a wider banking crisis, which acted as the catalyst to push the dollar down to a low of DM 3.1875. This was clearly overdone, and the U.S. currency started to recover, but by then many dealers had retreated to the sidelines, awaiting further guidance from the U.S. in the afternoon. This came in the form of support for the Ohio savings institutions by Mr Paul Volcker, chairman of the Federal Reserve Board, although he continued to sound warnings about the U.S. Budget deficit, and the possibility of a permanent slump in the value of the dollar.

Late trading was much calmer, and quiet, as attention turned towards today's flash estimate of U.S. first quarter gross national product, which is expected to be up by about 3½ to 4 per cent.

After trading within an 8¾ pfennig range the dollar fell to DM 3.2555 from DM 3.2740; FFr 9.96 from FFr 10.0150; and SwFr 2.7550 from SwFr 2.7850, but rose to Y256.10 from Y255.95.

On Bank of England figures the dollar's index fell to 151.3 from 151.7.

against the dollar in 1984-85 is 1.4940 to 1.0525. February average 1.0933. Exchange rate index closed unchanged at 74.0. It opened very firm, at the day's peak of 75.2, but by 10 am had retreated to 74.3, and then fell again from 74.5 at 3 pm to the close.

Sterling rose very sharply in early London trading, touching a peak of $1.1745, as a result of market satisfaction at Tuesday's Budget, and the fall in the value of the dollar. Barclays' cut in base rate, followed by the other clearing banks, came as little surprise in the circumstances, but coupled with a recovery by the dollar, led to a setback for the pound. Shortly before 4 pm, when the Bank of England calculated its closing index sterling was little changed on the day, but staged something of a late recovery, to close 1.50 cents higher at $1.1510-1.1520. It also rose to DM 3.7475 from DM 3.73; FFr 11.50 from FFr 11.38; SwFr 3.1675 from SwFr 3.1575; and Y294.50 from Y291.50

D-MARK — Trading range against the dollar in 1984-85 is 3.4510 to 2.5535. February average 3.3008. Exchange rate index 119.8 against 119.9 six months ago.

The D-mark gained a little more ground against the dollar in Frankfurt yesterday, but finished well below the best level touched in early trading. The dollar fell to DM 3.1875 in the morning, before closing at DM 3.26, compared with DM 3.2730 on Tuesday. The Bundesbank did not intervene when the dollar was fixed at DM 3.2620 in Frankfurt, against DM 3.2910 previously. Early trading was very hectic, with the dollar moving in 1 pfennig jumps and quoted on 100 point dealing spreads, before commercial buying, orders from Middle East banks, and profit taking stabilised the situation. Easing of concern over the problems of savings banks in Ohio also aided the dollar's recovery.

EMS EUROPEAN CURRENCY UNIT RATES

	Ecu central rates	Currency amounts against Ecu March 20	% change from central rate	% change adjusted for divergence	Divergence limit %
Belgian Franc ...	44.9008	44.8587	−0.09	+0.15	±1.5522
Danish Krone ...	8.16104	7.97818	−2.90	−1.76	±1.6413
German D-Mark	2.24184	2.22945	−0.55	−0.31	±1.1475
French Franc ...	6.87456	6.81943	−0.80	−0.56	±1.3669
Dutch Guilder..	2.52595	2.51616	−0.39	−0.15	±1.5171
Irish Punt	0.72569	0.715540	−1.40	−1.16	±1.6703
Italian Lira	1403.49	1413.03	+0.68	+0.68	±4.0410

Changes are for Ecu, therefore positive change denotes a weak currency. Adjustment calculated by Financial Times.

STERLING EXCHANGE RATE INDEX

	March 20	Previous
8.30 am	75.2	73.2
9.00 am	75.1	73.1
10.00 am	74.3	73.4
11.00 am	74.6	74.0
Noon	74.4	74.4
1.00 pm	74.3	74.6
2.00 pm	74.6	74.1
3.00 pm	74.5	74.2
4.00 pm	74.0	74.0

£ in New York

	March 20	prev. close
£ Spot	$1.1485-1.1490	$1.1410-1.1425
1 month	0.47-0.45pm	0.44-0.41pm
3 months	1.11-1.06pm	1.00-0.05pm
12 months	1.16-1.05pm	1.00-0.85pm

Forward premiums and discounts apply to the U.S. dollar.

POUND SPOT—FORWARD AGAINST POUND

March 20	Day's spread	Close	One month	% p.a.	Three months	% p.a.
U.S.	1.1360-1.1745	1.1510-1.1520	0.50-0.47c pm	5.06	1.15-1.10pm	3.91
Canada	1.5740-1.5990	1.5755-1.5825	0.46-0.38c pm	2.81	0.95-0.81pm	2.23
Nethlnd.	4.18¼-4.26¼	4.22½-4.23½	2⅞-2½c pm	7.27	6¾-6⅜pm	6.21
Belgium	74.53-75.98	75.40-75.50	24-19c pm	3.42	54-45pm	2.62
Denmark	13.32¼-13.46¼	13.40½-13.41½	3¼-1⅝ore pm	2.18	6½-4½pm	1.62
Ireland	1.1962-1.2092	1.1990-1.2020	0.03p pm-0.14d	−6.65	0.02pm-.43d	−0.88
W. Ger.	3.71-3.77¼	3.74¼-3.75¼	2⅞-2⅝pf pm	8.21	6⅞-6¼pm	7.20
Portugal	204½-212¼	204½-208½	135-495c dis	−16.26	485-1400d	−18.21
Spain	204¼-212¼	207-208	25-5c pm	0.87	20-15pm	0.34
Italy	2,349¾-2,406¾	2,381½-2,382½	par-3 lire dis	−0.76	8-13dis	−1.76
Norway	10.64¼-10.79	10.71½-10.72½	1¼-⅞ore pm	1.47	1¼-½pm	0.24
France	11.34-11.63	11.49½-11.50½	3½-2¼c pm	3.20	6¾-5¼pm	2.15
Sweden	10.64½-10.81½	10.69½-10.70½	½ore pm-½ dis	−0.21	par-1½dis	−0.21
Japan	291½-300½	294-295	1.85-1.78y pm	7.35	5.09-4.91pm	6.79
Austria	26.15-26.50	26.30-26.50	15¾-14gro pm	6.79	40½-37pm	6.87
Switz.	3.12¼-3.17½	3.18¾-3.17¼	2½-2¼c pm	8.29	6-5½pm	7.42

Belgian rate is for convertible francs. Financial franc 75.95-76.05. Six-month forward dollar 1.43-1.38c pm, 12-month 1.30-1.15 pm.

DOLLAR SPOT—FORWARD AGAINST DOLLAR

March 20	Day's spread	Close	One month	% p.a.	Three months	% p.a.
UK†	1.1360-1.1745	1.1510-1.1520	0.50-0.47c pm	5.05	1.15-1.10pm	3.91
Ireland†	0.9505-0.9720	0.9585-0.9580	0.50-0.40c pm	5.63	1.25-0.95pm	4.59
Canada	1.3685-1.3745	1.3715-1.3735	0.20-0.23c dis	−1.88	0.56-0.61dis	−1.70
Nethlnd.	3.5990-3.6950	3.6820-3.6830	0.67-0.64c pm	2.13	2.19-2.15pm	2.36
Belgium	64.60-65.75	65.55-65.65	8½-10½c dis	−1.83	25-27dis	−1.59
Denmark	11.43½-11.71½	11.65¼-11.65¾	2-2½ore dis	−2.32	4½-5dis	−1.63
W. Ger.	3.1875-3.2750	3.2550-3.2560	0.89-0.84pf pm	3.16	2.73-2.68pm	3.32
Portugal	179-181	179½-181	200-500c dis	−23.27	600-1400d	−22.10
Spain	178.00-181.10	180.30-180.90	55-63c dis	−3.93	185-185dis	−3.88
Italy	2,032-2,073	2,072-2,673	9½-10 lire dis	−5.67	29-30dis	−6.07
Norway	9.18-9.38½	9.33¼-9.34¼	2-2½ore dis	−2.90	7⅛-7½dis	−3.22
France	9.82-10.90	9.95¼-9.96¼	1.50-1.60c dis	−1.87	4.25-4.50dis	−1.79
Sweden	9.19¾-9.34½	9.30¼-9.30¾	3¼-3¾ore dis	−4.53	9½-10dis	−4.20
Japan	254.20-257.40	256.05-256.15	0.50-0.46y pm	2.25	1.89-1.84pm	2.91
Austria	22.79-23.90	22.90-23.00	4½-3¼gro pm	2.18	14½-12½pm	2.36
Switz.	2.6800-2.7630	2.7545-2.7565	0.78-0.72c pm	6.28	2.50-2.44pm	3.60

† UK and Ireland are quoted in U.S. currency. Forward premiums and discounts apply to the U.S. dollar and not to the individual currency. Belgian rate is for convertible francs. Financial franc 65.95-66.05.

OTHER CURRENCIES

Mar. 20	£	$		£ Note Rates
Argentina Peso..	355.53-366.84	316.69-318.99	Austria	26.20-26.70
Australia Dollar.	1.6500-1.6540	1.4555-1.4385	Belgium	76.25-76.25
Brazil Cruzeiro..	4,748-4,765	4,140-4,161	Denmark	13.38-13.51
Finland Markka.	7.7220-7.7586	6.7300-6.7400	France	†1.38-11.50
Greek Drachma.	159.70-162.95	137.41-140.29	Germany	3.72-3.76
HongKong Dollar	9.8900-9.9000	7.7966-7.7955	Italy	2365-2440
Iran Rial	105.40*	96.40*	Japan	265-298
KuwaitDinar(KD)	0.3455-0.3465	0.30340-0.30350	Netherlands	4.20-4.28
Luxembourg Fr	78.40-76.50	65.55-65.65	Norway	10.74-10.86
Malaysia Dollar	2.9100-2.9200	2.5470-2.5520	Portugal	201-222
New Zealand Dlr.	2.5200-2.5400	2.1955-2.2100	Spain	200½-212
Saudi Arab Riyal	4.1140-4.1250	3.6090-3.6100	Sweden	10.71-10.81
Singapore Dollar	2.5600-2.5700	2.2420-2.2470	Switzerland	3.14-3.19
Sth African Rand	2.1596-2.1840	1.8956-1.9065	United States	1.14-1.18
U.A.E. Dirham	4.1860-4.1945	3.6720-3.6730	Yugoslavia	265-315

* Selling rate.

†Correction (March 19): Hong Kong dollar rate, against sterling, was 8.5750-8.8850.

CURRENCY MOVEMENTS

Mar. 20	Bank of England Index	Morgan Guaranty Change %
Sterling	74.0	−16.1
U.S. dollar	151.3	+36.0
Canadian dollar	88.9	−8.5
Austrian schilling	109.7	+6.8
Belgian franc	88.1	−10.9
Danish Kroner	75.0	−6.7
Deutsche mark	116.6	+5.9
Swiss franc	136.0	+6.4
Guilder	110.0	+2.7
French franc	63.4	−16.3
Lira	44.8	−18.8
Yen	156.1	+11.3

Morgan Guaranty changes: average 1980-1982=100. Bank of England Index (base average 1975=100).

CURRENCY RATES

Mar. 20	Bank rate %	Special Drawing Rights	European Currency Unit
Sterling	—	0.844394	0.[illegible]7223
U.S. $	9	0.980209	[illegible]626
Canadian $	11.69	•	0.[illegible]927
Austria Sch.	4½	28.1790	15.[illegible]731
Belgian Fr	11	03.7676	44.8587
Danish Kr	7	11.2641	7.97816
D mark	4½	3.16482	2.22945
Guilder	0½	3.07668	2.01610
French Fr	0½	9.69239	6.91943
Lira	15½	2006.65	1413.03
Yen	5	246.538	175.366
Norway Kr.	8	9.05205	8.39620
Span'h Pta.	—	174.832	126.416
Swedish K.	0	9.06958	8.36889
Swiss Fr.	4	2.58060	1.88302
Greek Dr'ch	20½	136.068	94.8649
Irish Punt	13¾	1.01099	0.715540

* C$/SDR rate for March 19: 1.32736.

EXCHANGE CROSS RATES

Mar. 20	Pound Sterling	U.S. Dollar	Deutschem'k	J'panese Yen	French Franc	Swiss Franc	Dutch Guild.	Italian Lira	Canada Dollar	Belgian Franc
Pound Sterling	1.	1.152	3.748	294.5	11.50	3.168	4.230	2382.	1.579	70.45
U.S. Dollar	0.868	1.	3.256	256.1	9.60	2.756	3.683	2073.	1.371	66.60
Deutschemark	0.267	0.307	1.	78.59	3.069	0.846	1.129	638.0	0.421	20.13
Japanese Yen 1,000	3.396	3.610	12.72	1000.	39.05	10.76	14.36	8088.	5.362	256.2
French Franc 10	0.870	1.001	3.269	256.1	10.	2.754	3.678	2071.	1.376	60.61
Swiss Franc	0.316	0.364	1.183	92.98	3.631	1.	1.336	752.0	0.499	25.88
Dutch Guilder	0.236	0.272	0.886	69.62	2.719	0.746	1.	563.1	0.373	17.84
Italian Lira 1000	0.420	0.483	1.573	123.6	4.829	1.330	1.776	1000.	0.663	31.68
Canadian Dollar	0.633	0.730	2.373	186.5	7.283	2.000	2.679	1509	1.	47.78
Belgian Franc 100	1.325	1.026	4.967	390.3	16.24	4.198	5.606	3157.	2.093	100.

EURO-CURRENCY INTEREST RATES (Market closing rates)

Mar. 20	Sterling	U.S. Dollar	Canadian Dollar	Dutch Guilder	Swiss Franc	D-mark	French Franc	Italian Lira	Belgian Franc Conv.	Belgian Franc Fin.	Yen	Danish Krone
Short-term	16¼-15⅝	8⅝-8½	9¾-10¼	6¼-6½	1-1¼	5⅞-5¼	10⅛-10⅝	13-14	10-10½	10⅜-10⅝	6½-6⅞	16-12½
7 day's notice	14⅝-14⅞	8⅝-8¾	10-10¼	6⅜-6⅝	1-1¼	6⅛-6⅝	10½-10⅝	14-15	10¼-10¾	10⅜-10⅝	6⅜-6¾	11½-12
Month	16⅞-14	8¾-8⅞	10⅛-10⅝	6¾-6⅞	5⅝-5¾	6⅛-6½	10⅝-10¾	14⅛-14⅝	10¼-10¾	10⅝-10⅞	6⅛-6⅝	11½-12
Three months	16⅝-13⅛	9⅛-8⅞	10⅛-10⅛	6⅞-7⅛	5⅛-5½	6-6⅛	10⅞-11⅛	14⅝-16⅛	10¼-10¾	10¾-11	6⅛-6½	11⅝-11⅞
Six months	12½-12⅝	9¾-9⅞	11⅛-11⅛	7⅛-7⅛	5⅛-5½	6⅛-6⅛	11⅝-11⅞	10⅛-16½	10¼-11	10⅞-11⅛	6⅝-6⅞	11-11½
One year	12⅞-12⅛	10⅛-10½	12⅛-12⅛	7⅛-7⅛	5⅝-5¾	6⅛-6⅝	12-12⅛	16⅞-16¼	11-11⅛	11⅛-11⅝	6⅝-6⅞	11⅝-11⅞

Asian $ (closing rate in Singapore): Short-term 8¾-8¹¹⁄₁₆ per cent; seven days 8⅝-8¾ per cent; one-month 8⅞-9 per cent; three months 9¼-9⅜ per cent; six months 9⅞-10 per cent; one-year 10⅞-11 per cent. Long-term Eurodollars: two years 11½-11¾ per cent; three years 12-12¼ per cent; four years 12⅜-12⅝ per cent; five years 12½-12¾ per cent nominal. Short-term rates are call for U.S. dollars and Japanese yen; others two days' notice.

FINANCIAL FUTURES

Eurodollars firm

Euro-dollar prices were firmer in the London International Financial Futures Exchange yesterday. Hopes that U.S. interest rates would not be increased in the light of current banking problems in Ohio and expectations of a small downturn in today's U.S. first quarter GNP flash estimate, tended to attract buyers. The June contract opened at 89.45 up from 89.30 and rose in good volume to close at the day's peak of 89.58.

Sterling based contracts were less attractive with gilt values finishing below the day's highs and three-month sterling ending down from Tuesday's close. Gilts prices opened firmer on the mildly bullish implications of Tuesday's budget but tended to drift later in the day in the absence of any fresh buying.

Three-month sterling deposit futures opened firm as the pound reacted favourably to the dollar's weaker trend. However, at opening levels contracts were showing a somewhat optimistic yield of about 11 per cent and the half point fall in base rates together with the Bank of England's actions to restrain the extent of any fall in rates, effectively dampened any remaining enthusiasm. With sterling retreating from the day's high, the June contract fell to 88.41 down from 88.61 on Tuesday and an opening level yesterday of 88.78.

LONDON

THREE-MONTH EURODOLLAR
$1m points of 100%

	Close	High	Low	Prev
June	89.58	89.58	89.41	89.30
Sept	88.92	88.92	88.79	88.65
Dec	88.52	88.53	88.40	88.27
March	88.22	88.22	88.18	88.00
June	87.99	87.99	87.96	87.79

Estimated volume 6,627 (5,500)
Previous day's open int 14,735 (14,945)

THREE-MONTH STERLING
£500,000 points of 100%

	Close	High	Low	Prev
June	88.41	88.78	88.34	88.61
Sept	89.01	89.10	88.91	89.03
Dec	88.86	89.00	88.86	89.04
March	88.75	—	—	89.00

Estimated volume 2,099 (2,500)
Previous day's open int 5,468 (5,230)

20-YEAR 12% NOTIONAL GILT
£50,000 32nds of 100%

	Close	High	Low	Prev
March	104-28	105-00	104-28	104-17
June	105-07	105-20	105-03	105-04
Sept	109-06	109-14	109-05	108-20
Dec	109-08	—	—	108-22
March	108-29	—	—	108-11

Estimated volume 4,807 (1,924)
Previous day's open int 4,097 (4,413)
Basis quote (clean cash price of 13¼% Treasury 2003 less equivalent price of near futures contract) −28 to −16 (32nds).

STERLING £25,000 $ per £

	Close	High	Low	Prev
June	1.1294	1.1550	1.1270	1.1260
Sept	1.1260	1.1530	1.1200	1.1242

Estimated volume 2,695 (665)
Previous day's open int 2,336 (2,484)

DEUTSCHE MARKS
DM 125,000 $ per DM

	Close	High	Low	Prev
June	0.3082	0.3121	0.3080	0.3071
Sept	0.3111	—	—	0.3098

Estimated volume 103 (86)
Previous day's open int 239 (261)

SWISS FRANCS
SwFr 125,000 $ per SwFr

	Close	High	Low	Prev
June	0.3648	0.3679	0.3648	0.3620

Estimated volume 1 (25)
Previous day's open int 120 (145)

JAPANESE YEN Y12.5m $ per Y100

	Close	High	Low	Prev
June	0.3913	0.3936	0.3913	0.3896

Estimated volume 289 (12)
Previous day's open int 204 (207)

FT-SE 100 INDEX
£25 per full index point

	Close	High	Low	Prev
March	130.20	130.20	129.40	129.65
June	130.60	130.60	130.20	130.00
Sept	131.10	—	—	130.50

Estimated volume 274 (253)
Previous day's open int 1,543 (1,574)

U.S. TREASURY BONDS
8% $100,000 32nds of 100%

	Close	High	Low	Prev
March	69-04	—	—	68-20
June	68-11	68-14	68-01	67-19

Estimated volume 1,942 (3,023)
Previous day's open int 2,575 (2,321)

CHICAGO

U.S. TREASURY BONDS (CBT)
8% $100,000 32nds of 100%

	Latest	High	Low	Prev
March	69-04	69-13	69-03	68-27
June	68-08	68-16	68-06	67-29
Sept	67-14	67-16	67-11	67-03
Dec	66-23	66-28	66-21	66-12
March	66-01	66-06	66-01	65-24
June	65-17	65-19	65-17	65-07
Sept	65-03	65-03	65-03	64-25
Dec	64-23	64-26	64-23	64-13
March	64-14	—	—	64-02
June	—	—	—	63-24

U.S. TREASURY BILLS (IMM)
$1m points of 100%

	Latest	High	Low	Prev
June	90.84	90.90	90.79	90.79
Sept	90.31	90.38	90.29	90.24
Dec	89.90	90.05	89.99	89.92
March	89.73	89.78	89.73	89.67
June	89.54	89.56	89.54	89.48
Sept	89.39	89.40	89.39	89.32
Dec	89.24	89.24	89.24	89.16
March	—	—	—	91.31

CERT. DEPOSIT (IMM)
$1m points of 100%

	Latest	High	Low	Prev
March	91.90	91.90	90.95	90.85
June	89.95	90.00	89.86	89.74
Sept	88.29	89.30	89.27	89.11
Dec	88.89	88.94	88.85	88.69

THREE-MONTH EURODOLLAR (IMM)
$1m points of 100%

	Latest	High	Low	Prev
June	89.52	89.58	89.48	89.34
Sept	88.87	88.92	88.82	88.70
Dec	89.47	88.50	88.43	88.30
March	88.18	88.20	88.15	88.01
June	87.95	87.96	87.90	87.79
Sept	87.73	87.75	87.73	87.59
Dec	—	—	—	—
March	—	—	—	87.24

STERLING (IMM) $s per £

	Latest	High	Low	Prev
June	1.1295	1.1460	1.1295	1.1470
Sept	1.1275	1.1430	1.1275	1.1475
Dec	1.1300	1.1420	1.1300	1.1465
March	—	—	1.1400	1.1470
June	—	—	—	—
Sept	—	—	—	1.2505

GNMA (CBT) 8% $100,000
32nds of 100%

	Latest	High	Low	Prev
March	69-10	69-16	69-10	69-09
June	68-17	68-19	68-14	68-10
Sept	67-22	67-25	67-22	67-16
Dec	—	—	—	66-26
March	—	—	—	—
June	—	—	—	65-21
Sept	—	—	—	65-05

MONEY MARKETS

Caution urged despite base rate cut

The Bank of England was quick to restrain any runaway enthusiasm on a rapid decline in interest rates yesterday by lending funds to discount houses over 14 days at a relatively punitive rate. The move came as clearing banks clipped half a point from their base rates to 13½ per cent.

While the mood of the market remained bullish, reflecting sterling's sharp initial appreciation, the Bank was anxious to prevent rates from falling too fast given the current volatility in currency exchange rates. Consequently three-month interbank money rose from an opening level of 12¹⁵⁄₁₆ per cent to finish at 13⁷⁄₁₆ per cent, up from 13¼ per cent on Tuesday. Three-month eligible bank bills were bid at 13³⁄₃₂ per cent against 12⅞ per cent. Overnight interbank money reflected the Bank's desire to control any downward momentum and touched a high of at least 30 per cent.

> UK clearing banks base lending rate 13½ per cent since March 21

The Bank of England forecast a shortage of around £1,200m with factors affecting the market including maturing assistance and a take up of Treasury bills together draining £1,082m and a rise in the note circulation draining a further £80m. In addition banks brought forward balances £80m below target. These were partly offset by Exchequer transactions which added £55m.

The forecast was revised to a shortage of around £1,350m and the Bank gave help in the morning of £30m, comprising purchases of £1m of eligible bank bills in band 1 (up to 14 days) at 13⅞ per cent, £14m in band 2 (15-33 days) at 13⅞ per cent and £15m in band 3 (34-63 days) at 13⅞ per cent. In the afternoon the forecast was further revised to a shortage of around £1,250m before taking into account the early help and the Bank gave additional assistance of £303m through purchases of eligible bank bills: £8m in band 1 at 13⅞ per cent, £196m in band 2 at 13¾ per cent, £87m in band 3 at 13¾ per cent and £12m in band 4 (64-91 days) at 13 per cent.

MONEY RATES

March 20	Frankfurt	Paris	Zurich	Amst'dam	Tokyo	Milan	Brussels	Dublin
Overnight	5.45-6.55	10⅝	1⅝-1⅝	6⅛-6¼	6.46875	10⅝-16	10.30	14⅛-16⅝
One month	6.00-6.10	10¹¹⁄₁₆-10⅞	5⅝-5¾	6¹¹⁄₁₆-6⅞	6.53106	15⅛-15⅛	10⅝-10¾	14⅛-14¾
Two months	6.10-6.65	10¾-10⅞	—	—	—	—	—	10⅛-14¾
Three months	6.20-6.35	10¾-10⅛	5¹³⁄₁₆-5⅞	6⅞-7	6.54375	10¾-12⅛	10¾-10⅞	10⅝-14⅝
Six months	6.40-6.55	10⅝-10⅞	—	7-7⅛	—	—	10⅞-11⅛	14¼-14⅛
Lombard	6.0	—	—	—	—	—	—	—
Intervention	—	10½	—	6⅞	—	—	—	—

LONDON MONEY RATES

Discount Houses Deposit and Bill Rates

Mar. 20 1985	Sterling Certificate of deposit	Interbank	Local Authority deposits	Company Deposits	Market Deposits	Treasury (Buy)	Treasury (Sell)	Eligible Bank (Buy)	Eligible Bank (Sell)	Fine Trade (Buy)
Overnight	—	15-30	10	15-10½	16½-14¼	—	—	—	—	—
2 days notice	—	—	14⅛-14¾	—	—	—	—	—	—	—
7 days or	—	—	—	—	—	—	—	—	—	—
7 days notice	—	14½-15	14¼-14¾	14¾-16	13¾-14	—	—	—	—	—
One month	14-16¾	13⅝-14⅛	13¼	13⅝	16⅛	15⅝	16⅛	13⅝	13¼	14
Two months	16⅝-13⅝	13⅝-13¾	13¼	16⅛	16¼	13⅛	10⅞	16⅞	13⅞	13¾
Three months	13⅛-13⅞	10⅞-16⅛	13	13½	13	13	12¾	13⅞	12⅞	16⅝
Six months	18⅝-12⅛	12¼-16¾	12¼	—	—	—	—	12-12⅛	11¾-10	12⅝
Nine months	16⅝-16¼	12⅛-12⅛	—	—	—	—	—	—	—	—
One year	12⅛-18	12-12⅝	12	—	—	—	—	—	—	—

	Local Auth. negotiable bonds	Local Authority Deposits	Finance House Deposits	$ Cert of Deposits	SDR Linked Deposits	ECU Linked Deposits
One month	14⅝-14¼	—	13⅝	8.8-8.0	6⅛-8¼	10⅛-10¼
Two months	14⅛-13¾	—	16½	8.95-9.05	8⅛-8⅛	10⅛-10⅛
Three months	13¾-13⅝	—	13⅛	0.1-0.2	6¾-0	10⅛-10⅛
Six months	13⅛-10¾	—	10½	9.65-9.75	0⅛-9⅛	10¼-10⅛
Nine months	10¾-16⅝	—	10¼	10.15-10.25	—	—
One year	12⅝-10¼	—	10¼	10.6-10.7	6¾-10	10¼-10⅛
Two years	—	11⅞	—	—	—	—
Three years	—	11⅞	—	—	—	—
Four years	—	11¾	—	—	—	—
Five years	—	11¾	—	—	—	—

ECGD Fixed Rate Export Finance IV: Average Rate of Interest period February 6 to March 5 1985 (inclusive): 13.883 per cent. Local authorities and finance houses seven days' notice, others seven days' fixed. Finance Houses Base Rate (published by the Finance Houses Association): 12½ per cent from March 1 1985. London and Scottish Clearing Bank Rates for lending 14 per cent. London Deposit Rates for sums at seven days' notice 11-11½ per cent. Treasury Bills: Average tender rates of discount 13.1761 per cent. Certificates of Tax Deposit (Series 6): Deposits £100,000 and over held under one month 14 per cent; one-three months 13¾ per cent; three-six months 13¾ per cent; six-nine months 12¾ per cent; nine-12 months 12½ per cent. Under £100,000 12 per cent from March 12. Deposits held under Series 6 12½ per cent. The rate for all deposits withdrawn for cash 8 per cent.

MONEY RATES

NEW YORK (Lunchtime)

Prime rate	10½
Broker loan rate	9½
Fed funds	8¾
Fed funds at intervention	—

Treasury Bills

One month	7.90
Two month	8.35
Three month	8.50
Six month	8.95
One year	9.14

Treasury Bonds

Two year	98¹¹⁄₃₂
Three year	98⁷⁄₃₂
Four year	97¹⁄₃₂
Five year	98²⁄₃₂
Seven year	98²²⁄₃₂
10 year	96¼
30 year	95¹⁄₃₂

FT LONDON INTERBANK FIXING

(11.00 a.m. March 20)

Three months U.S. dollars

bid 9 5/16	offer 9 5/16

Six months U.S. dollars

bid 9 11/16	offer 9 13/16

The fixing rates are the arithmetic means, rounded to the nearest one-sixteenth, of the bid and offered rates for $10m quoted by the market to five reference banks at 11 am each working day. The banks are National Westminster Bank, Bank of Tokyo, Deutsche Bank, Banque Nationale de Paris and Morgan Guaranty Trust.

Company Notices

Swiss Bank Corporation
Schweizerischer Bankverein
Société de Banque Suisse

NOTICE IS HEREBY GIVEN that the 113th Annual General Meeting will be held in the Foire Suisse d'Echantillons, "Festsaal", Messeplatz, Basle on Tuesday, 2nd April 1985 at 3pm to receive the Directors' Report and the Balance Sheet and the Auditors' Report for the year 1984, to consider and approve these reports, to elect Members of the Board of Directors, to pass Resolutions regarding the allocation of profits and to declare a dividend.

To approve the issue of 855,628 new bearer shares and 914,133 new registered shares of SFr 100 nominal at a price of SFr 200 to existing shareholders in the proportion of one new bearer or registered share for every twelve bearer or registered shares held and ranking for dividend from 1st January 1985. To approve a further issue of 651,284 bearer participation units of SFr 100 nominal at a price of SFr 200 to existing holders in the proportion of one new participation unit for every twelve held and ranking for dividend from 1st January 1985. Authority will also be sought for the issue of 800,000 new bearer shares and 800,000 new registered shares of SFr 100 nominal to be issued at par to guarantee future convertible loans with no preferential subscription rights to existing unit holders and the issue of a maximum of 1,600,000 new participation units of SFr 100 nominal, with no preferential subscription rights to existing share and unit holders. To amend article 4(1) of the Articles of Association.

Holders of bearer shares can obtain admission cards and proxy forms from the London Office, 99, Gresham Street, London EC2P 2BR or from any other branch of the Corporation against deposit of the share certificates (or of an approved bankers Certificate of Custody) not later than Thursday, 28th March, 1985. The relevant shares must remain so deposited until after the General Meeting. Registered shareholders will receive these items direct. No new entries will be made on the share register between 1st March and 2nd April 1985. The Balance Sheet and Profit and Loss Account for the year ended 31st December 1984 will be available to shareholders at all branches of the Corporation in Switzerland from 18th March, 1985.

BASLE, 5th March, 1985.

LONRHO INTERNATIONAL FINANCE N.V.

U.S.$ 12 PER CENT BONDS 1988
Guaranteed by
LONRHO PUBLIC COMPANY LIMITED

NOTICE IS HEREBY GIVEN to Bondholders that copies of the Annual Report and Accounts of Lonrho International Finance N.V. and of Lonrho Public Limited Company are available from Lonrho Public Limited Company, Cheapside House, 138 Cheapside, London EC2V 6BL.

SPANISH 6% EXTERNAL LOAN (1974 ISSUE)

The coupons due 1st April 1985 may be presented for payment at Banco Exterior, U.K., 60 London Wall, London EC2P 2JD between the hours of 10 am and 2 p.m.
London, 21st March 1985

CORRECTION NOTICE

ROYAL BANK OF SCOTLAND PREMIUM ACCOUNT

Due to an error in yesterday's paper, 2 advertisements appeared for the above, each showing different rates.
The correct rate is 13.50% per annum, equal to an effective annual rate of 14.19%.
The Financial Times apologises for the confusion that has occurred.

FT INTERNATIONAL BOND SERVICE

The list shows the 200 latest international bond issues for which an adequate secondary market exists. The following are closing prices for March 20.

U.S. DOLLAR STRAIGHTS	Issued	Bid	Offer	Change on day	Change on week	Yield
Amex Credit 12⅜ 98	150	101⅛	101⅜	+0¼	+0⅛	12.06
Austria Rep 13⅛ 92	100	105½	106	+0⅛	−0⅜	12.35
Bank Of Tokyo 12⅜ 92	100	98⅝	99⅛	+0¼	−0½	12.66
Bank of Tokyo 13⅝ 91	100	104⅛	104⅝	+0⅜	−0⅛	12.54
BP Capital 11⅛ 92	150	93⅝	94⅛	+0¼	−0⅛	12.48
Caisse Nat Tele 13¾ 91	100	104½	105	+0⅝	+0¼	12.57
Canadian Pac 12½ 99	75	100¾	101¼	+0⅝	0	12.32
CBS Inc 11⅞ 92	100	94	94½	+0¼	+0⅜	12.55
Chevron U.S.A. 12¼ 89	600	99¾	100¼	+0¼	−0¼	12.29
Creditanstalt 13⅛ 01	100	101¼	101¾	+0¼	0	12.73
Denmark Kindom 11½ 92	100	94⅝	95⅛	+0⅛	+0⅛	12.64
Denmark Kingdom 13 91	100	101⅛	101⅝	+0⅛	+0¼	12.64
Denmark Kingdom 13¼ 91	100	† 101	101½	+0⅜	+0⅛	12.91
Denmark 13⅞ 88 XW	100	104	104½	+0¼	−0¼	12.29
Denmark Kingdom 14 81	100	105⅜	105⅞	+0⅛	−0¼	12.61
Saskatchewan 11 7/8 89	100	99¾	100¼	+0¼		
S.N.C.F. 12⅜ 92 XW	100	97⅝	98⅛	+0⅛		
Statoil 12 89	100	100⅝	101⅛	+0⅛		
Statoil 15½ 89	100	104⅝	105⅛	+0⅛		
Swed Exp Cred 12¾ 89XW	100	100¼	100¾	0		
Sweden Kingdom 11½ 89	200	97⅜	97⅞	+0⅛		
Sweden Kingdom 11¾ 94	100	96⅜	96⅞	+0⅛		
Texaco Capital 12⅞ 87	300	† 101½	102	+0¼		
Texaco Capital 13½ 89	200	102⅞	103⅜	+0⅛		
Toronto Dom Bk 12½ 89	100	† 99	100	−0¼		

U.S. DOLLAR STRAIGHTS (cont.)	Issued	Bid	Offer	Change on day	Change on week	Yield
Walt Disney Pro 12½ 87	150	101¼	101¾	+0⅜	−0⅛	11.78
Weyerhaeuser 12¼ 87	150	100½	101	+0⅜	−0¼	11.82
World Bank 12¼ 94	150	98¾	99¼	−0⅛	−0⅜	12.49
World Bank 12⅞ 94	200	101½	102	+0¼	−0⅜	12.51

Average price change On day + 0⅛ on week − 0⅛

DEUTSCHE MARK STRAIGHTS	Issued	Bid	Offer	Change on day	Change on week	Yield
Asian Dev Bank 8 94	200	100⅛	100⅞	+0½	+0⅜	7.91
Austria Republic 7⅜ 94	200	99	99¾	+0½	+0¾	7.72
Baxter Travenol 7¼ 94	200	97⅞	98⅝	0	−0¼	7.52
Credit National 8⅛ 94	200	100¾	101½	+0⅛	+0⅜	7.94
Degussa Int Fin 7½ 94	100	99⅝	100⅜	0	0	7.49
E.E.C. 8 92	200	101⅛	101⅞	+0⅜	+0⅜	7.70
Escom 8 92	150	99	99¾	−0⅛	+0⅜	8.12
Ferrovie Dello Stato 8 01	100	100	100¾	0	−0⅜	7.92

OVER-THE-COUNTER

Continued from Page 42

CAPITAL MARKETS

Eurodollar sector quiet as investors seek to diversify

BY MAGGIE URRY IN LONDON

ATTENTION in the Eurobond market was again drawn away from the dollar sector yesterday, with new issues appearing in the sterling, Danish krone and Ecu bond markets. The weaker dollar gave a boost to some of the continental markets as investors bought to diversify away from the U.S. currency. Even the Euroyen bond market improved.

Hambros launched a £30m seven-year deal for National Bank of Canada. The borrower is not the best-loved in the Eurobond market and its recent dollar floater had a mixed reception. Some dealers regarded the 11⅝ per cent coupon as tight. Issue price is par and fees total 1⅞ per cent. Although the Eurosterling market took some encouragement from Britain's budget, there is still too much paper in the primary market and prices there were little changed yesterday.

Morgan Stanley followed up its Danish krone issue for Swedish Export Credit (SEK) with a deal for Asea Finance, the Swedish electrical group. This DKr 200m issue has the same maturity date as SEK's – November 15 1990. The coupon was again 11¾ per cent and issue price par. Both deals are trading comfortably inside their 1⅞ per cent gross commissions.

The DKr 250m issue for SDS launched on Tuesday, with a seven-year life and 12⅛ per cent coupon, was faring even better, trading well inside the 1¼ per cent selling concession.

The European Investment Bank launched an Ecu 150m 10-year deal through Amro Bank aimed at Swiss, Dutch and Japanese investors. The co-leads are Bank of Tokyo and Swiss Bank Corporation International. The issue has a 9¾ per cent coupon and 99½ issue price. By the close of business the bonds were trading above that level.

Meanwhile Eurodollar bonds were slightly firmer yesterday, following the better performance by the New York bond market.

BHF Bank bond average		
March 20 100.689		Previous 100.587
High 103.042	1984/85	Low 98.058

Nomura launched a $100m convertible issue for Mazda Motor with the usual 15-year life, 3 per cent indicated coupon and 5 per cent conversion premium.

Salomon Brothers' C$100m deal for Canadian National Railways, which has a 10-year life with a 12⅛ per cent coupon and 99½ issue price, was bid around 98 – close to the 1¼ per cent selling concession.

Swiss franc bonds gained around ¼ point yesterday thanks to the weaker dollar and a fall in short-term interest rates. Sumitomo Heavy Industries' 6 per cent issue was quoted at 99 on its first day's trading yesterday, compared with its par issue price.

Credit Suisse increased the size of its public issue for Sweden from SwFr 150m to SwFr 200m. The coupon is 6 per cent and issue price is par.

UBS launched a SwFr 100m private placement for Nova, the Alberta gas pipeline group. The issue has a maximum life of seven years and a 6¼ per cent coupon with a par issue price.

Also from UBS was a SwFr 30m private placement with equity warrants for Denki Kogyo, guaranteed by Mitsui Bank. The five-year issue has an indicated yield of 3⅝ per cent.

The D-Mark foreign bond market had its busiest day for some time. The weaker dollar and the better New York market pushed prices up by ½ point on the day. Again the domestic bond market did even better, rising by 1 to 1½ points. The World Bank's two deals, launched on Tuesday, were both trading close to their issue price.

Stock		Sales (Hnds)	High	Low	Last	Chng
WTIA	8	117	19⅞	18⅝	19⅞	+⅝
WmorC	.40	45	16¾	16	16¼	
WshwdO	.10e	12	25¼	24½	25¼	+½
WatwdC		103	24	23½	24	+¼
Wettra	.88	137	26⅝	26½	26½	
Wicat		205	5¾	5½	5½	−¼
Widcom		173	8¾	8⅛	8½	+¼
Wiland		12	10⅝	10⅝	10⅝	
Wilmt	1.65	1775	38	37½	38	+½
WIIWW	.56	1	13¼	13¼	13¼	
WIIIAL		272	10⅛	10	10	
Wiliml	t	20	9	8¾	8¾	−½
WmsSn		5	13¾	13¾	13¾	
WmgTr	2	5	50½	49½	49½	
Wilsnf		34	8⅝	8⅝	8⅝	−⅛
WilsnH	.20	2672	16½	15¼	16¼	
Wilton		20	3¾	3¾	3¾	−¼
Windmr	.07	218	6⅞	6⅝	6⅞	+⅛
WinthEn		15	4⅝	4⅛	4¼	+⅛
WiserO	.88	126	21	20½	20¾	−¼
Wolohn	.16	6	6	6	6	−⅛
Woodhd	.80	66	17¼	16¾	17¼	+⅜
Worthg	.64	159	28¼	27½	27½	−½
Wriker	.15e	1	6¼	6¼	6¼	
Wyman	.80	60	24½	24	24½	

X Y Z

Stock		Sales (Hnds)	High	Low	Last	Chng
Xebec		859	5⅝	5¼	5⅝	
Xicor		446	10¼	10⅛	10⅛	−¼
Xidex		4776	13	12⅝	12½	−¼
YlowFt	1	366	34	33⅝	34	+⅜
YorkFd	.48	3	13¼	16	13¼	+¼
Zehntel		59	5	4¾	4¾	
ZenCb		525	23¼	22¾	22¾	
Zentec		13	4½	4¼	4¼	−¼
Ziegler	.48a	10	12	11¾	12	+¼
Zitel		7	4¾	4¾	4¾	+⅛
Ziyad		272	6⅞	5½	5½	−1
Zondvn	.34	19	10¼	10	10	
Zymos		2233	2¼	2⅛	2 3-16	−1-16
Zytrex		189	1⅝	1½	1⅝	+⅛

Indices

NEW YORK-DOW JONES

	March 20	March 19	March 18	March 15	March 14	March 13	1984-85 High	1984-85 Low	Since Compilation High	Since Compilation Low
Industrials	1,264.91*	1,271.09	1,249.67	1,247.35	1,260.05	1,261.78	1299.36	1086.57	1299.36	41.22